ELECTION '97: no one's pulling our strings

THE INDEPENDENT

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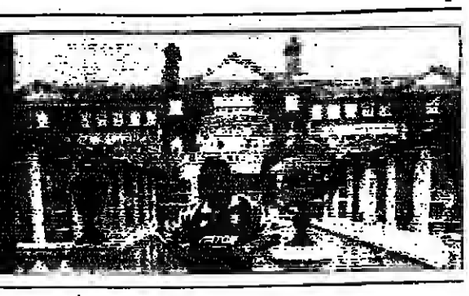

The last red titan dies

Power over the people: Deng Xiaoping was purged three times – and returned three times Photograph: Magnum

The end for Deng Xiaoping, China's Long March veteran

Teresa Poole
China Correspondent
Ted Plafker
Peking

"See that little man there," Mao Tse-Tung told Nikita Khrushchev, 40 years ago. "He's highly intelligent, and has a great future ahead of him."

That little man was Deng Xiaoping. Last night, aged 92, three years since he was last seen in public, China's modern-day emperor finally passed away after a life which had reflected all the turbulence of China's 20th-century history. Three times purged, he had three times returned from the political grave, the last occasion in 1978 when he set about creating a modern China which threw off much of Mao's Communist dogma in favour of economic reform and opening to the outside world. "To get rich is glorious," he told China's eager population, and under his policies the country has been transformed into an emerging economic superpower.

The historical verdict on Mr Deng will nevertheless be complex. Back in the 1950s he played a zealous role in the anti-Rightist movement in which thousands of people were persecuted. By the early Sixties, he was one of the few China's leaders to argue for pragmatic economic policies so that the country could recover from Mao's disastrous Great Leap Forward; but it was two decades before he would be allowed to impose his image of China. Pragmatism rather than ideological dogmatism was the hallmark of his approach: "It does not matter if a cat is white black, so long as it catches mice," he famously declared, when arguing for economic reform.

After the death of Mao in 1976, Deng was the only tenable candidate to emerge to lead China into a modern era. The Western world looked on in admiration until June 1989, when Deng sent in the army against the student pro-democracy demonstrators in Tiananmen Square. Although, unlike most Chinese leaders, he knew how to charm a crowd, he did not delight everyone; a "nasty little man" was Henry Kissinger's verdict.

The question now is what impact Deng's death could have on government policy and the position of China's present leadership. His passing, announced in the middle of the night in Peking, represents a final shift for China away from the generation of Long March veteran leaders whose status was derived more from personal clout than any job description. Mr Deng had held no important posts since 1990, and at his death the only job title he could claim was honorary president of the Chinese Bridge Association.

Nevertheless, while he lived, even as his health sharply deteriorated, his anointed heir, President Jiang Zemin, was safe in his position and government policy stuck close to the Deng programme of economic liberalisation combined with firm political control by the Chinese Communist Party.

In the turbulent decades since the Communist victory in 1949, China has had no experience of smooth, political succession. Chairman Mao's death was swiftly followed by the arrest of the Gang of Four, and a power struggle between the old guard and the reformists. Mr Deng's attempts to choose an heir apparent also proved difficult; his two previous choices, Hu Yaobang and Zhao Ziyang, both reformists, fell by the wayside during the Eighties. The latter was sacked after the 4 June massacre, and replaced as head of the party by a dark-horse candidate – Mr Jiang. In a culture which reveres the elderly, it became clear that true authority could not be transferred until the Emperor was actually dead. Over the next months, Mr Jiang must either truly assume that authority, or face a destabilising power struggle.

Had Deng died a few years earlier, his death might well have meant a destabilising power struggle between leftist hardliners and more progressive reformers about the direction of policy. As it is, a political succession to a new generation of leaders has had time to establish itself, and the likelihood now is that Mr Jiang will for the time being remain at the helm of a collective senior leadership after engaging in a spate of backroom power-broking to secure that no rival can challenge him.

The Communist Party's priority now that Mr Deng is dead will be not to let intra-party rivalry bring down one-party rule. All the strands of the party will want to move to consolidate power. "The Politburo represents a certain sort of stability and I think their instinct will be to stick together. Of course, in time, there is bound to be some shifting and readjustment," said one diplomat. Or, to borrow from Benjamin Franklin, Mr Jiang will be thinking "we must indeed all hang together, or, most assuredly, we shall all hang separately". In the wake of Mr Deng's death, it remains unclear whether the Chinese political system can develop to a stage where it does not revolve around an Emperor figure.

The official announcement of his death came after a sudden flurry of rumours and reports in the middle of the night, in Peking. Deng died just after 9pm. The first news agency reports came five hours later, just after 2am, when Chinese sources told Reuters news agency to "expect an urgent announcement on a news broadcast soon".

Some analysts believe that Deng's death early in the Chinese New Year may be seen as a bad omen, and could even cause enough uncertainty to jeopardise the smooth handover China is so desperate to have. Paradoxically, there is such widespread consensus among China's contenders for power that they might agree to postpone their jockeying until after the transfer.

Inside
China heads into the great unknown, *pages 12,13*
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Europe: both sides go to war

Cabinet truce ruined by Rifkind's remark

Anthony Bevins
Political Editor

The Conservative leadership's patched-up truce on Europe was ripped apart by the Foreign Secretary, Malcolm Rifkind, yesterday. Opening a day of government disarray, he broke last month's even-handed Cabinet approach to a single currency, suggesting for the first time that ministers opposed the principle of a single currency.

Cornered by a charge of neutrality in a BBC radio *Today* interview, an irritated Foreign Secretary said: "No, we are not neutral. We are actually on balance, we are hostile to a single currency, but we accept that you have to think very carefully about these matters before you rule it out completely."

That contradicted the carefully crafted formula agreed by the Cabinet on 23 January, when John Major said: "It is very unlikely but not impossible that the single currency can proceed safely on 1 January 1999, but if it did proceed with unreliable convergence we would not of course be part of it."

Mr Rifkind's one word, "hostile", created consternation and confusion in Cabinet ranks. But, in spite of efforts to dismiss the controversy, he gave a more considered view in a Bonn speech, in which he repudiated Conservative support for "pooled sovereignty" and cited the words of a *Sun* opinion column, without identifying the source, to represent the view of British public opinion.

Some ministers were more circumspect in their reaction. Michael Heseltine, Deputy Prime Minister, said during a visit to Hulme, in Manchester, that the Government was not hostile to a single currency.

But the Conservative Party chairman, Brian Mawhinney, said in Wirral South, the by-election seat, that Mr Rifkind "was speaking on behalf of the Cabinet". Back at Number 10, the Prime Minister's office could not say whether Mr Major backed Mr Rifkind – but Kenneth Clarke, Chancellor of the Exchequer, said: "It was obviously a slip of the tongue under pressure from a very skilful interviewer ...

"The position remains that we have an open option. We might join; we might not. It rather depends on the best judgement we can make about British jobs and prosperity when the right time comes."

Mr Clarke reiterated the previous line: "The Government doesn't have a hostile attitude to the single currency. The Government has a policy of negotiating and then deciding one way or the other at the proper time."

But when Mr Major later arrived at a Lancaster House conference on racism, he suggested the balance of proof had tilted against a single currency – that it would be wrong until proved right. "The balance is that we at present have sterling. People will have to show to us that it will be positively beneficial to change. The balance of the argument would have to show that it was beneficial to justify a change and that is the point Malcolm Rifkind was making."

John Redwood, the former leadership challenger, said there had been a clear shift of policy. "Always before, the Government has said they don't think a single currency is very likely," he told BBC radio. "Today, he [Mr Rifkind] said the Government was 'hostile' to it. I find that most encouraging."

Tony Blair told BBC Radio's *The World at One*: "We have had three different statements from the three most senior people in the Government ... "It is a quite extraordinary situation ... "

Warning words, page 10

Brown says Tories want to leave EU

Anthony Bevins
Political Editor

The Tories wanted to pull Britain out of the European Union, Gordon Brown warned an American business audience last night.

Exposing the gaping gulf between the parties, the shadow Chancellor said in New York: "Whatever the twists and turns on the Conservative side, I assure you Labour is committed wholeheartedly to the continued membership of the European Union. That is the bottom line."

In a speech that could not have provided a greater contrast between Labour enthusiasm and the deep-seated hostility of the Tories towards Europe, Mr Brown said: "The best way forward, what I believe is the British way, is to be in and to be leading."

He said the current division, disarray, uncertainty and confusion within the Conservative ranks was damaging the three-and-a-half million jobs and investment that relied on Europe.

"The re-election of a Tory government," he said, "with a huge Eurosceptic contingent, would be a recipe for continued civil war over Europe, with the national interest a loser.

"The Conservative Party's drift towards isolationism, which started as a trickle from the right of the party, has now become a flood engulfing both Left and Right.

"It has gone dangerously far and must be resisted. Whether they admit it or not, for today's Tories being pro-British has to mean being anti-European."

The shift had become so great that history had been rewritten wholesale. It was now suggested that joining Europe was one of many wrong turnings.

"That Britain has done best when we are detached and isolated, free of long-term continental attachments; that today, Britain's traditional way of life and sovereignty are in danger of being submerged; that Britain's future lies outside Europe; and that those who favour Europe are somehow anti-British.

"It is this school that has won the day in the Conservative Party. The Conservatives now believe it possible for Britain to survive outside an integrated Continent."

QUICKLY

Rail chief earns £16m
The sale of a recently privatised railway rolling stock company has made the firm's managing director more than £16m profit from shares bought for £110,000 a year ago. Page 3

Tiger population drop
The worldwide tiger population has slumped to its lowest ever level, according to conservationists who blame traditional Chinese medicine for the animal's decline. Page 5

Paedophile ruling
A paedophile lost his fight for council accommodation after a judge ruled he had made himself "intentionally homeless" by committing offences which landed him in jail. Page 4

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significant shorts

Policeman jailed for deaths in 100mph chase crash

A police constable was jailed for three months yesterday for causing the death of a innocent motorist aod his police colleague in an horrific car crash duriog a 100mph chase áfter a stolen car.

PC Lezlie Collins, 43, the driver of a marked West Midlands police patrol car, was found guilty of two charges of causing death by dangerous driving relating to his passenger PC Robert Dallow, 41, from Great Barr, Birmingham and motorist Neil Homer, 20, of Park Aveoue, Oldbury, West Midlands. The jury at Birmingham Crown Court had considered its verdicts for nearly four hours before returning unanimous decisions.

Portillo defeat in MoD homes sale

Michael Portillo, the Defence Secretary, was snubbed by a Tory-dominated Commons select committee when it refused to endorse bis decision to sell armed forces homes for £1.6bo to a Japanese consortium.

"This committee is still unable to endorse either the principle of the sale or the choice of the new owner of the estate," said the Commons select committee of defence.

It remained "extremely concerned" about standards in parts of the married quarters estate and demanded urgent progress to improve the quality of accommodation. The sale caused a furore among Tory MPs when it was announced last year, and only went through after guarantees for tenants were written into contracts.

Colin Brown and Fran Abrams

Soldiers died in shambolic exercise

The families of two soldiers killed during a training exercise yesterday attacked the "Dad's Army" shambles they say contributed to the tragedy. They also criticised the inquest verdicts of accidental death oo Corporal Robert Hawksley, 29, of Toton, near Nottingham and Corporal Martin Bailey, 25, of Sidmouth, Devon.

The two-day hearing, at Derby Uoiversity courtroom, heard how a series of misunderstandings led to the trench cootaining the two men taking a direct hit from a 95lb shell. They died almost immediately from injuries received in the June 1994 blast at the British Army Training Unit Suffield in Alberta, Canada.

Billie-Jo suspect image released

Detectives hunting the killer of schoolgirl Billie-Jo Jenkins yesterday issued a computer-geoerated image of a young man they urgently want to trace. He was seen walking from a side entrance to the house where Billie-Jo lived with her guardians and sisters oo Boxing Day last year, when the family was visiting relatives.

Detective Superinteodent Jeremy Paine said: "He was in his late teens or early 20s, about six feet tall and powerfully built, wearing fawn-coloured trousers, a black shiny bomber jecket and black woolleo hat." The image was compiled from a description giveo by a witness who called the police incident room.

The 13-year-old was found bludgeooed to death with a metal teot spike oo the patio of her home in Hastings on Saturday.

Envoy drawn into McAliskey case

Deputy Irish premier Dick Spring yesterday called in the British ambassador over the case of Roisin McAliskey, tbe pregnant daughter of a former MP who faces extrodition to Germany in connectioo with an IRA bombing.

Envoy Veronica Sutherlaod was told of Dublin's concern over the cooditions in which Ms McAliskey is being held in London's Holloway prison pending proceedings for tier extradition. Mr Spring urged that the earliest possible "positive" decisioo should be made by the relevant authorities on efforts to secure hail for the bombing suspect, who is more than six months pregnant.

Bypass would devastate Wiltshire

The Countryside Commission yesterday called oo the Goverumeot to re-opeo the 1993 inquiry into the cootroversial proposed Salisbury bypass. The commission said the bypass would so devastate the Wiltshire landscape that nothing could be done to counter the impact. A decision on the proposed road scheme was delayed last October while the Goverument sought more advice.

Although the bypass was supported by the local Tory MP Robert Key, it was understood that ministers were loath to risk more confrontation with road protestors before the election. **Louise Jury**

people

Rev Winkett yesterday with the Dean, Dr John Moses *(Photograph: Emma Boam)*

Woman priest tells of her vision on road to St Paul's

Rev Lucy Winkett, the first woman priest to be appointed to the staff of St Paul's Cathedral, joined a panel of her male colleagues and spoke for the first time yesterday about the controversy her appointment has created.

At a press conference called by the Dean of St Paul's, Dr John Moses, in order to "set her free", Rev Winkett sat beside Canon John Halliburton, the man who has made it clear he does not recognise her status as a priest.

But, at pains to present a united front, the newly appointed 29-year-old minor canon turned to the Cathedral's chancellor, who stands at the opposite end of the theological spectrum when it comes to the ordination of women, and said she was "quite proud of the Church of England that it's found this way of living with difference."

Canon Halliburton made it clear that he would not let his views get in the way of his personal relationship with Rev Winkett, whom he had not seen since the interview after which he abstained from voting. He went as far as to joke: "I may, one day, sit down and have a deep, spiritual talk with Lucy about my feelings, but I won't start asking for absolution."

He played down reports that he would "boycott" Ms Winkett's Communion services. "I shall do nothing of the sort," he insisted. "I shall quietly not be present."

Rev Winkett, a curate at St Michael's and St Mary's in Ilford, east London, told the assembled journalists about her Calling to the Ministry. "For me, it was quite a sudden decision," said the Cambridge graduate who, at 23, had expected to pursue a career in music.

"I was sitting in a church service one evening and it just kind of happened. Something clicked inside of me and I wanted to be a priest from that moment." Although back then, entering the priesthood was not a possibility, her "conviction" never left her.

Reports that she had joined the Church following the death of her boyfriend, Andrew Stillwell, in a climbing accident, were exaggerated, Rev Winkett claimed. "It's a very neat pattern that looks very obvious. That the death of someone close leads to a vocation in the Church, but I can't say that was the position. As I've said before, the experience of bereavement is a catastrophic one. A full stop. There isn't one logical step from one to another. Death isn't like that."

For Rev Winkett, one of the most exciting aspects of her new job, which starts in September, is the singing. "To hear a woman's voice singing the Communion in St Paul's will be a wonderful thing," she said.

It is a task for which she is well qualified. Not only did she study at the Royal College of Music, but she sang secular rock songs in a Cambridge band called – by sheer chance – the Ordained. She was, however, reticent about the idea of introducing her acoustic-electric guitar to the Church of England heartland. Asked whether there was a place for rock 'n' roll at the country's most famous Cathedral, she looked rather bemused. "I don't know," she said. "Honestly, I don't."

Clare Garner

Primary suspect reveals identity in $120m 'Primary Colors' suit

Columnist Joe Klein, the *Anonymous* who wrote the hugely successful political *roman-a-clef*, *Primary Colors*, is finding that basing art on life can be a risky business.

In the book, a fictitious Harlem librarian who runs an adult literacy programme is seduced by a candidate clearly intended to be taken as Bill Clinton. Now the model for that character – who indeed did meet the real Governor Clinton during his 1992 campaign – is suing Mr Klein for $120m to prove that she wasn't.

Citing "extreme mental anguish, embarrassment and humiliation," 51-year-old Daria Carter-Clark has filed her suit in a New York court. "I was hysterical, crying and screaming," she says, upon learning of her portrayal in the book, which sold 1 million hardback copies and will form the basis of a film later this year.

The episode provides a hilarious first chapter, as the imaginary librarian Ms Baum –"middle-aged, pushing 50, hair dyed auburn to hide the grey, unexceptional apart from her legs which were shocking, a gift from God" – is enthralled by the visiting Jack Stanton, Governor of "an obscure Southern state".

Had matters stopped there, Ms Carter-Clark would have had no problem. Alas, a page or two later, a "dazed" Ms Baum emerges from the Governor's hotel bedroom, "arranging herself". As for Stanton, he is described as "buttoning his shirt over a hairless pink chest; he was the colour of a medium rare steak just off the grill, steaming a little".

Much of the book's success reflected its eerie closeness to life. Two dozen or more figures from the 1992 campaign populate its pages, most of them instantly recognisable. That alone makes it harder for the author to plead that anyone could understand it did not happen.

Ms Carter-Clark in fact was chosen as one of the "Faces of Hope" who symbolised Mr Clinton's 1992 campaign, and was invited to both his inaugurations. Which only adds to her discomfort. Everyone, she told the latest issue of the *New York Observer*, believes she was a Clinton conquest. *Rupert Cornwell*

Harriman's millions left to Churchill

The Tory MP Winston Churchill (right) and his estranged wife are to inherit nearly all of the £6.6m estate of his mother, Pamela Harriman, the remarkable Englishwoman who became American ambassador to France.

In a will signed only a month before her death on 5 February, Mrs Harriman left the bulk of her estate to be divided equally between the MP, her only son, and Mary, known as Minnie, from whom he separated two years ago after 31 years of marriage.

Her two gardeners, cook, butler and chauffeur will also receive bequests, of between $10,000 and $250,000.

Mrs Harriman's four grandchildren and brother, Lord Edward Digby, also benefit, but it is understood that Janet Howard, her long-time assistant in Washington and Paris, was left out of the will.

The estate includes Mrs Harriman's home in Middleburg, Virginia, a mansion in Georgetown and property in upstate New York and Long Island. There are also a number of paintings, some jewellery and clothing.

Although lawyers were reluctant to put a value on her estate, it is certainly significantly smaller than it was two years ago, when Mrs Harriman became embroiled in a bitter squabble with the heirs of her late husband, the former New York governor Averell Harriman.

The children and grandchildren accused her of wasting $30m on bad investments while she acted as trustee.

Samuel Berger, the White House national security adviser and one of her speechwriters, has been appointed her literary executor. *Louise Jury*

briefing

HEALTH

More than 1 million waiting for NHS hospital treatment

The NHS waiting list for hospital treatment has risen to 1,096,000 patients – the highest figure recorded, according to the latest figures released by the Government. There was a rise of 3.2 per cent in the total number of patients waiting at the end of 1996, and 123 patients were waiting for more than 18 months, in breach of Patients' Charter guarantees.

The provisional figures for the last quarter of 1996 were coodemned last night by the Shadow Secretary of State for Health, Chris Smith, as evidence that the reforms to the NHS were not working.

"These are the highest waiting lists ever recorded. More patients across the country are waiting longer for an operation as a direct result of the Tories' changes to the NHS," said Mr Smith.

But Gerry Malone, the Health Minister, defended the Government's record, insisting that the reforms had slashed the numbers waiting for more than a year from 200,000 cases.

The total for those waiting more than ooe year rose by 46 per ceot - an increase of 6,900 to a total 21,900. **Colin Brown**

LIBRARIES

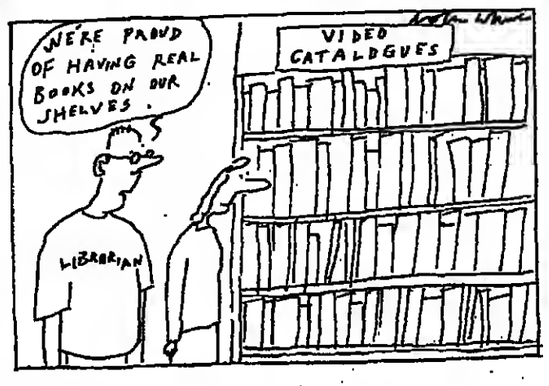
Paperback revolution condemned

Public libraries should open in the evenings and on Sundays, when people most want to use them, the Government said yesterday in its Public Libraries Review. The review, published by the Department of National Heritage, also warned: "The original concept of the British public library system was one of high seriousness and importance. In more recent years there has been a shift away from that high seriousness towards entertainment."

Junior National Heritage minister, Iain Sproat, said yesterday that too often library shelves were packed with paperbacks that could be easily bought at nearby shops.

The review ruled out charges for book loan and reference services. It added that in order to raise standards, library authorities should publish annual plans, setting out clearly how they have performed compared with the standards they set themselves, and the standards achieved by other libraries.

Reading the Future: A Review of Public Libraries in England, available free from the Department of National Heritage 0171 211-6132. **David Lister**



FOOD

Blunders increase Chernobyl danger

Britons face an increased risk of cancer by eating foods, such as milk, contaminated by the Chernobyl accideot, according to research published today. Former goverument scieotist John Jeffers, who was director of the Institute of Terrestrial Ecology, told *New Scientist* magazine that monitoring of radiation levels io food following the accident was "half-hearted and fairly ridiculous".

Mr Jeffers said that immediately after the Chernobyl explosion, there was no Government funding into the bebeviour of radioactivity in rooorlands and oo co-ordinated effort was made to trace where food had become contaminated. He ndded: "We could have learned a great deal about how radionuclides moved through different ecosystems, hut we fluffed it."

But the Ministry of Agriculture defended its record of testing for radiation at the time, saying that in 1986 it tested 28,490 samples of milk, vegetables, cereals and sheep for radiation. It said iodine levels in milk only reached 20 per ceot of safety limits recommended by the National Radiological Protection Board.

WHITEHALL

The part-time civil servant

The civil service, once the bastion of full-time jobs for life, is increasingly becoming a source of temporary appointment, according to a survey by Labour employment spokesman, Peter Hain. Over the past five years, while nearly 70,000 permanent jobs have been lost, 7,500 new temporary jobs in the civil service have been created.

According to Mr Hain's figures, there are now 25,000 temporary jobs in the civil service, an increase of more than 40 per cent since 1992. The number of permanent jobs in the civil service, including both government departments and executive agencies, has fallen over the same period from 683,600 to 615,300.

Mr Hain stressed that civil service management codes stipulated casual employment should only be used to meet genuine short-term need and not as a way of eroding job security. He said it was inexcusable that the Government was creating "jobs with no pensions, no performance pay, no paid leave, no sick absence and no maternity leave". **Christian Wolmar**

SOCIETY

CSA failing to ease parents' burden

The Child Support Agency has so far only had a "small impact" on the lives of lone pareots when the potential to help them is there, according to a new report by the Policy Studies Institute. Single parents who co-operate with the CSA could be 60 per ceot better off than those who remain on income support, it found.

Increasing maintenance paymeots helps lone parents work, particularly those with few qualifications or experience. However, the proportioo receiving maintenance payments remains at just 30 per cent.

The report also challenges common beliefs about parents hringing up children alooe. Rather than being "serial lone parents" they tend to be formerly married, having had all their children by one partner.

Lone Parents; Work and Benefits, £25, HMSO. **Glenda Cooper**

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هكذا من الاصل

Gummer's vision for housing's future: build more stately homes

Amid the rolling acres of our green and pleasant land, Britain's new rich can build their dreams in stone

A modern Englishman's castle: David Sullivan, millionaire publisher and football club owner, outside his Essex mansion Photograph: North News

Nicholas Schoon

The Government wishes to see a revival of the stately home set amid rolling acres. Yesterday John Gummer, the Secretary of State for the Environment, published new planning guidance encouraging a new generation of magnificent country mansions for the nation's fast-growing number of millionaires.

Under present planning guidelines it is almost impossible to get planning permission from local councils to build new homes in the open countryside. The new guidance supports this, in order to stop the countryside turning slowly into suburbia. But adds: "An isolated new house in the countryside may exceptionally be justified if it is clearly of the highest quality. This means each generation would have the opportunity to add to the tradition of the country house, which has done so much to enhance the English countryside."

The new stately homes would have to be "truly outstanding" in terms of their architecture and landscape design, and enhance their surroundings. It would be up to the elected councillors on the local planning committees to decide whether to grant planning permission for such a home, with the Secretary of State for the Environment able to intervene and have the final say.

When *The Independent* suggested that this would give only the wealthiest individuals the option of a new home in the open countryside, Mr Gummer briskly dismissed that as "old-fashioned Marxism".

"Many of the finest rural landscapes in Britain are enhanced by having marvellous buildings in them," he said. He gave Lancing College, a public school on the South Downs in West Sussex, and Tintern Abbey in the Wye Valley as examples. The royal palaces of Balmoral and Sandringham were also fine examples of magnificent homes which enhanced their rural surroundings.

To get planning permission, a new house in the country would have to be "very fine and very original," he added. Mr Gummer suggested that derelict or run-down sites, such as the overgrown gardens where a great house once stood before it was demolished, might be appropriate.

The Department of the Environment's planning minister, Robert Jones, pointed out that Britain now had more millionaires – potential clients for tomorrow's stately homes – than ever before. And they will need the money. British architect Claudio Silverstrin, who has built a couple of grand country houses, puts the cost at £2m to £5m.

"There's more people with money and the desire to have such houses built than you might think," he said last night. "But they can't be bothered to waste all the time and expend all the energy that you need to get planning permission. People just give up and say I'll build it in France, or Ireland."

He praised the new government guidance. But John Outram, who won two awards for an unashamedly modern country house near Wadhurst, East Sussex, was deeply sceptical about Britain's ability to produce a new generation of stately homes which stood the test of time.

"This is a commendable idea but it is élitist and rather off-the-wall," he said. New building in the open countryside might best be for more communal uses, such as new towns. His house, built in 1987 for an industrialist, stands on a hilltop and features concrete coloured in several different bright shades.

"To be frank, British architecture hasn't got much credence when it comes to building great country homes since the war," he said. "A lot of very ugly ones have gone up."

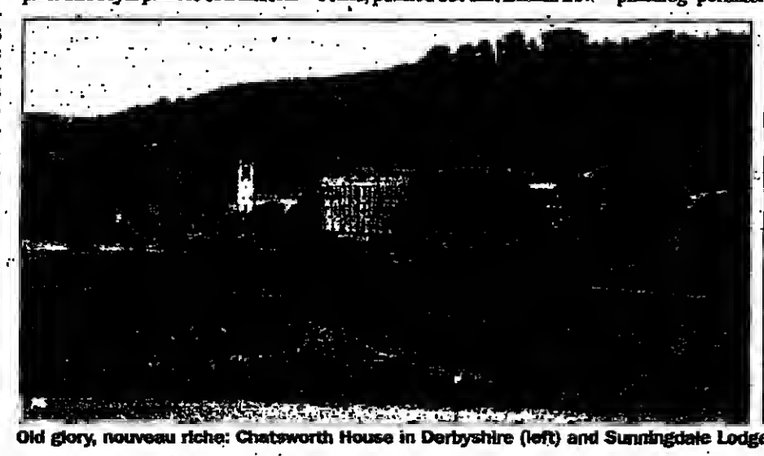
Recent clients for large new country homes include the publisher, David Sullivan, (his is in Essex) and the controversial property magnate Nicholas van Hoogstraten. And there was "South York", the big house built in Berkshire for the Duke and Duchess of York which some thought was inspired by architecture from the soap opera *Dallas*.

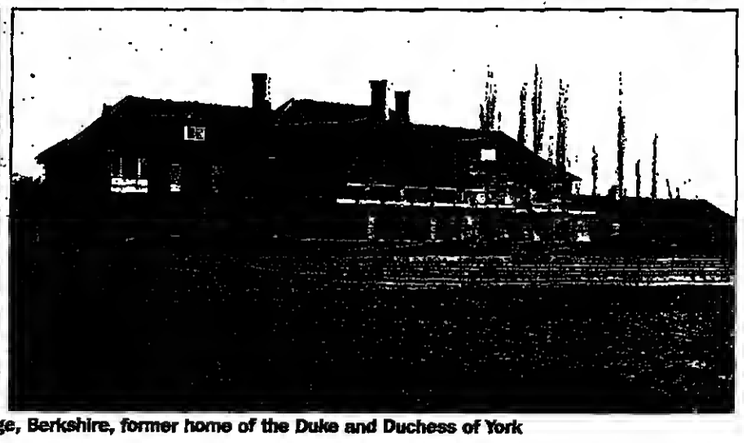
The Duke of Westminster, Britain's wealthiest aristocrat, owned one of a tiny number of truly modern looking stately homes at Eaton Hall near Chester. It was built for his father in the 1970s to replace an earlier Victorian gothic mansion.

Architect John Dennys, a modernist, came up with an ambitious stark-white, flat-roofed mansion which many critics attacked as an eyesore. The present duke has since had it "demodernised", adding traditionalist carapace with pitched slate roof, pink sandstone cladding and new window arches and doorways.

The new guidance covers the entire range of development in the countryside. It seeks to control housebuilding tightly, but favours small-scale business developments to keep jobs in rural areas.

"There's a difference between protection and taxidermy – you don't want to stuff the countryside in order to preserve it," said Mr Gummer. The guidance was welcomed by both the Country Landowners' Association and the anti-development Council for the Protection of Rural England.





Old glory, nouveau riche: Chatsworth House in Derbyshire (left) and Sunningdale Lodge, Berkshire, former home of the Duke and Duchess of York

Short trip on the gravy train nets profit of £12m

Randeep Ramesh and Chris Godsmark

Life's lottery produced a new set of millionaires yesterday when a recently privatised rail company was bought by one of the world's biggest banks yesterday.

Andrew Jukes, managing director of Eversholt Leasing – which rents its 4,100 trains to private train companies – stands to make more than £16m from shares bought for £110,000 a year ago.

The firm, known as a Rosco (rolling stock leasing company) was sold by the Government last year for £580m including £80m of debt to British Rail managers. Forward Trust, a subsidiary of Midland Bank, paid £208m more than the original price yesterday, taking over the company for £726m.

"We took a risk and it paid off," said Mr Jukes, who help set up Eversholt in 1994.

Private bidders for the train rental companies were scared off when the Government first put the businesses up for sale by the length of the leases, leaving the firms in the hands of the management teams.

"The picture in 1995 was one of pessimism and cynicism about the sale," said Mr Jukes. "We went against the grain and took the risk."

Mr Jukes's risk involved raising a little over than £110,000 – which he did without mortgaging his family home in Surrey.

An engineer by training, Mr Jukes's first job was with Rolls Royce in Derby. He moved to run the bus division for London Transport in 1973 and joined British Rail in 1988 where his ability to spot a good deal made him the perfect choice for BR's investment adviser.

Despite his new found wealth, Mr Jukes will remain at the company. His finance director, Colin Habgood, will not. His short trip on the gravy train will end in three months time – leaving the former chartered accountant nearly £12m richer.

The new railways have seen the return of the railway children. The sons and daughters of two Eversholt directors – Mr Jukes and engineering director Roger Aylward – stand to make £9m from the sale via a special trust arrangement.

Another 58 staff share more than £40m, and executives from the bank which backed the management team will gain home £5m. Other beneficiaries include Wolverhampton council and the New York Metropolitan Museum of Modern Art, which will profit from indirect stakes in the company.

The 15,000 per cent profit margin incensed Labour, which had only just finished making political capital from the last sale of a Rosco, in which Sandy Anderson, a former aircraft leasing expert, made a profit of £33m in seven months from the sale of his company to Stagecoach, the bus and rail giant.

"Today's news confirms that the Government learned nothing and did nothing. I challenge them even now to admit that they got it wrong and short-changed the public by selling cheap these national assets," said Andrew Smith, Labour's transport spokesman. He produced a dossier entitled "The Great Train Robbery", which claimed that the share gains available to the directors of Eversholt, Porterbrook and another train company, GB Railways, topped £103m. And he said he would be writing to the Public Accounts Committee urging an to investigation into how the assets came to be sold off "so cheaply".

Who gets what, page 19

Andrew Jukes: 'We took a risk'

news

Paedophile loses right to council accommodation

Glenda Cooper
Social Affairs Correspondent

A convicted paedophile lost his fight for council accommodation yesterday after a judge ruled that he had made himself "intentionally homeless" by committing offences which landed him in jail.

The judgment means that in future councils will have discretion to decide whether a person has made him or herself intentionally homeless in cases where deliberate criminal conduct has led to a jail sentence.

But probation officers and penal reform groups warned that it could lead to a "lynch law" mentality and that such action was likely to put children in more danger by driving paedophiles underground.

In a landmark ruling, the High Court said there was "ample justification" for the London Borough of Hounslow's refusal to provide a roof for "R", a 65-year-old man who cannot be named for legal reasons.

He accused the housing authority of unlawfully deciding that he was not entitled to help because he had made himself "intentionally homeless" by carrying out sexual assaults on boys, getting jailed and losing his original council accommodation.

But Mr Stephen Richards, sitting as a deputy High Court judge, agreed with the council that "a fair-minded bystander" knowing of R's long history of sexual offeoces against children and long periods in prison would "unhesitatingly conclude" that loss of accommodatioo was the likely result of committing further offences.

In early 1990, R, who had been imprisoned on 18 occasions over a 40-year period, left jail and was allocated a property in Chiswick, west London. He was living there in July 1991 when he was given a seven-year sentence for indecent assaults on young boys.

In jail he gave up his Chiswick tenancy after being told that housing benefit could only be paid to prisoners for a maximum of one year, and he realised he was in danger of running up rent arrears.

Released from Whitemoor prison in August 1995, he applied to Hounslow council for accommodation on the grounds that he was homeless and in priority need but was turned down.

R's counsel, Jan Luba, argued that the council had acted outside its powers because it was unreasonable to have expected R to keep up the Chiswick tenancy when he could not afford the rent. If the council was right, Mr Luba said, it would mean that any tenant convicted of an offence and jailed for a period which meant they could not keep up rent payments would face homelessness because of their inability to pay.

Rejecting that submission, the judge said the statute "lays down no special regime for ex-prisoners and cannot be construed in such a way as to create one".

Hounslow Council will now have to consider when to evict R from the temporary accommodation where he has been living peoding yesterday's legal challenge. The judge refused R leave to appeal, but he can still apply directly to the Court of Appeal, and ask for an order compelling the authority to continue housing him until any further hearing has taken place.

Defiant stand: Yvonne Fox rehearsing for Saturday's anniversary celebrations in Fishguard, west Wales, to mark the bicentenary of the last invasion of Britain by the French. Intending to invade Ireland, they had sent a decoy party to Bristol, but bad weather led to the party landing in Wales Photograph: Rob Stratton

Bribes case taxman gets five years

Graham Ball

Michael Allcock, the most senior Inland Revenue official ever convicted of corruption, was sent to prison for five years yesterday.

Passing sentence at the Old Bailey, Judge Peter Beaumont said Allcock's corruption had threatened the integrity of the entire Inland Revenue.

"The public expects and is entitled to expect its servants to be incorruptible. That they are is in part maintained by the knowledge that when public servants are found to fall below those standards, it is met with instant imprisonment," he said.

And he told 47-year-old Allcock: "You are a man of marked ability, drive and determination to succeed. The sadness of your case is that the evidence makes it clear that had you the will to do so, you could have prospered in the Inlaod Revenue ...

Judge Beaumont said that Allcock's behaviour had cast a shadow over his revenue colleagues and was made worse by the fact that the offences took place over a long period of time.

The scale of the largess he received further exacerbated his crimes. He had abused his position of trust in the Inland Revenue's special office unit said the judge.

Allcock, 47, stood impassively in the dock as the judge delivered his ringing admonishmeot. The former high-flying civil servant, dressed in a blue two-piece business suit, cream shirt and brown tie stared straight ahead throughout and said nothing as he was sent down.

Earlier the court rejected an application from the prosecution to confiscate Allcock's assets.

In a plea of mitigation, Allcock's lawyer, Anthony Arlidge QC, drew the court's attention to his client's former good work.

He said that over a two-year period Allcock's team was responsible for reclaiming more than £62m in unpaid taxes.

"The Revenue had substantial benefit from his investigative abilities. Now he has obviously thrown away a good deal of the high regard in which he was held," said Mr Arlidge.

The Crown, he added had been unable to prove any loss to the Revenue.

Allcock was joined in the dock by Hishan Alwan, a 57-year-old oil trade consultant of Knightsbridge, central London, who had yesterday been found guilty of supplying the disgraced tax inspector with the services of a prostitute, Michelle Corrigan.

In sentencing him to nine months in prison, suspended for 18 months, Judge Beaumont said to Alwan: "In monetary terms, the cost to you was small but the benefit it brought to you was enormous."

Alwan's counsel, Mr Stephen Solley told the court that his client intended to pay the Inland Revenue an estimated £200,000 in back taxes.

MP injured in go-kart race

Matthew Brace

The former Cabinet minister, Michael Jopling, was in intensive care in a London hospital last night after sustaining serious injuries in a charity parliamentary go-kart race.

Mr Jopling who holds a 14,920 majority in his Westmorland and Lonsdale constituency in Cumbria, is a former agriculture minister. He was injured during a Lords vs Commons go-karting event which was being held at a course in Fulham, west London.

After the accident yesterday afternoon he was stretchered off on a spinal board with back pain and placed in a support collar. Mr Jopling was taken a to the intensive care unit of the nearby Chelsea and Westminster Hospital.

A hospital spokesman said that the MP had fractured some ribs and bruised both his lungs and doctors said he was in a "serious but stable" condition.

He added that Mr Jopling was on a ventilator machine to assist his breathing. He was expected to undergo surgery today.

However, the spokesman said the former minister had not suffered head injuries and his condition was not thought to be life-threatening.

A Conservative Party source said last night that efforts were being mnde to contact Mr Jopling's wife Gail, who is believed to be abroad.

Mr Jopling's son, Nick, a farmer who stood for the Tories at the last general election in Tony Blair's Sedgefield constituency, said he had only recently heard about the incident, and was not able to comment.

"But I understand everything's OK," he added.

Mr Jopling's accident is bad news for the Government, which is now without a majority. However, in an important vote he could still be transported to the House of Commons to vote by ambulance.

The former Cabinet minister was one of the Tory rebels who voted against the Government in an amendment to compensate gun dealers.

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Time running out for tigers in the wild

Eye of the tiger: Feeding time for a Sumatran tiger at London Zoo – venue for today's conservation conference Photograph: Andrew Buurman

Chinese medicine blamed for decline

Matthew Brace

The worldwide tiger population has slumped to an all-time low, according to conservationists who blame traditional Chinese medicine for the animal's decline.

Just 5,000 tigers exist in the wild, a drop of 10,000 in the past 30 years, according to the Zoological Society of Loodoo which is hosting a major international conference today to address the problem.

The decline has accelerated during the past decade despite concerted efforts from conservationists to save the species.

Scientists and conservationists from the society blamed the decline on habitat destruction and, more significantly, on the recent growth in demand for tiger body parts for use in traditional Chinese medicine.

Sarah Christie, the society's tiger coordinator, said an increase in per capita incomes in the Far East meant more people could afford traditional herbal medicines, always treated as luxuries, and were buying them to show off their wealth.

The trade of tiger body parts is illegal under the Convention on International Trade in Endangered Species (Cites) but constitutes a large part of the global wildlife trade. Tiger bones and parts are some of the most commonly found animal products smuggled in to Britain.

"Tiger penis soup is one particular delicacy, although obviously I haven't tried it myself. Some tiger parts have anti-inflammatory and other properties but they are still not as good as an aspirin," she said.

At least 1,900 kilos of tiger bone were exported to Japan from Taiwan in 1990, according to the society's director-general Richard Burge.

"That's the equivaleot of 400-500 tigers. The increase in the use of tiger parts in herbal medicine is outweighing any increases in the numbers of tigers we might hope for," he said.

As their populations have shrunk, in-breeding within sub-species has increased, which has heightened the risk of cub mortality and genetic defects. Some sub-species are more at risk than others. The South China tiger is currently closest to extinction with just 20 individuals recorded in the wild.

Scieotists and conservationists from around the world have gathered in London to present their latest research to a *Tigers 2000* conference today at Loodoo Zoo and to discuss how to step up their campaign to save the animal.

Out of the new research has come a glimmer of hope – researchers in the Way Kambas National Park, on the Indonesian island of Sumatra, have recorded a small increase in their tiger population. However, the new figures might be more to do with new recording methods such as infra-red cameras mounted oo 45 trees within the park spotting previously unseen tigers, rather than an actual increase in population. Before, researchers relied oo footprints to estimate the numbers in the park.

Predicting a contiouation of the decline, the society is planning to co-ordinate existing tiger sperm and egg banks around the world as part of the fight to save the tiger. "Tigers are a very emotive issue," said Mr Burke. "They are something we all feel very strongly about. There is a chilling phrase in conservatioo which describes a species which has committed itself to extinction. The tiger has oot reached that point. If it had we could all give up."

Gay men lose appeal over S&M acts

Patricia Wynn Davies
Legal Affairs Editor

Sado-masochism practised in private and causing no serious injury was officially criminalised yesterday in a unanimous ruling by the European Court of Human Rights in Strasbourg.

To condemnation by civil liberties and gay rights campaigners, the court saidthat Britain was justified in jailing three men, Anthony Brown, Roland Jaggard and Colin Luskey – who has since died – for inflicting pain oo each other for sexual pleasure.

They were among 16 homosexual men rounded up in the "Operation Spanner" crackdown after videos of their sado-masochistic sessions fell ioto police hands. Only the three took their appeals to the House of Lords and then to Strasbourg.

Nearly 50 homosexual men had taken part in the sex acts, involving the use of hot wax, sandpaper, fish hooks and needles on each other's genitals, ritualistic beatings with spiked belts, stinging nettles and cat-o'-nine-tails, and branding.

Invoking an exception to article 8 of the European Convention on Human Rights, which guarantees the right to respect for family life, the Strasbourg judges ruled that the United Kingdom was "unquestionably entitled ... to seek to regulate through the operation of the criminal law activities which involve the infliction of physical harm, whether the activities occur in the course of sexual cooduct or otherwise".

Mr Jaggard, 50, from Welwyn Garden City, Hertfordshire, and Mr Brown, 62, from Yardley, Birmingham, suggested yesterday that "Despite protestations to the contrary it has always been clear to us from the statements of English judiciary, at all stages from the Old Bailey to the House of Lords, that as our case involved homosexuals we were essentially guilty".

They invoked a later case when a man who branded his initials on his wife's backside had his conviction quashed on appeal because they were a happily married couple.

But the Strasbourg court dismissed the men's claims that they were victimised for being homosexuals and rejected their argument that behaviour involving private morality was nooe of the state's business. "It is evident that the applicants' activities involved a significant degree of injury or woundsaid the ruling violated the right to privacyding which could not be characterised as trifling or transient," the judges said.

Rights campaigners said the ruling violated the right to privacy. John Wadham, director of the civil rights group Liberty and one of the lawyers in the case, said: "Consent forms a defence to assault in sports, medical operations, ear-piercing, religious flagellation and many other practices which are not to everyone's taste. The police should be out catching real criminals, not worrying about what other people get up to in bed." Peter Tatchell, of the gay rights group Outrage! said the ruling violated the right to privacy.

news

Where racism is not simply a black and white issue

On the streets where Stephen Lawrence died, **Steve Boggan** finds little optimism about change

"Just call me Mr Patel," said the smiling man who was supposed to be living in fear. "Everyone calls me Mr Patel, the parents and the children – although many of the parents were just children when I first arrived."

Mr Patel's has been at his newsagents shop on the Brook estate in Eltham, south-east London, for nearly nine years. But it was three years before "NF" – for National Front – was daubed on his shutters by two of the five white men accused by the *Daily Mail* last week of murdering the black student Stephen Lawrence.

"The newspapers said this was a scary place to be if you're Asian or black, but I've never had any trouble," he said.

Mr Patel was speaking yesterday morning at about the same time as Timothy Kirkhope, the Home Office Minister responsible for community relations, was launching the Government's plans to participate in the European Year Against Racism.

Mr Kirkhope spoke of workshops, exhibitions, festivals, galas, and conferences all over the country. But, like many on the Brook estate, Mr Patel thought talking-shops would be a waste of time.

"Things aren't so bad if people take the trouble to get to know one another," he said. "People said this was a bad area, but it's fine now that we have become friends. It's a nice place. If I'm in the back of the shop when people come in, they just take what they want and leave the money by the till. I know the five boys named by the *Daily Mail* last week, but they never gave me any problems about being Indian and they were always polite.

"Okay, I had NF daubed on the shop about six years ago, but it's almost faded now. If I'd caught them doing it, I'd have given them a clip round the ear. As it is, people here are nice to me, and I'm nice to them. That's more important than little events."

It was on the Brook estate that the five suspects paraded their xenophobia until the day Stephen, an 18-year-old A-level student, was stabbed and beaten to death as he waited for a bus nearby. They no longer live there.

Black and Asian residents have reported a high level of overt racism in the area and many have moved away. Perhaps that is why so many white people feel there isn't a problem, but those *The Independent* spoke to said they would be quite happy to have more blacks and Asians on the estate.

What they doubted was that the racists living among them would be changed by – or even take the trouble to go to – any of the planned events: the "Roots of the Future" exhibitions, or the "Camden gala and social night", or the "Ethnic monitoring and code of practice seminar".

"If people are racist, then nothing like that is going to make a scrap of difference," said Karen Eyre, 31, who lives on the estate. "It's nothing to do with this place; it's the same story across the country. Some people are racist, but most people aren't. You have to try to change those who are, but I don't think you can."

Several white men aged under 24 – the age and type usually associated with racist violence – said they believed the Brook estate was "no worse than anywhere else", and none was overtly racist. But they all doubted the fare on offer from the Government would improve race relations. A few were resentful – to the extent that they felt discriminated against – for being labelled racist in the aftermath of the Lawrence inquiry.

One 15-year-old, Mark Kearns, said: "No one can tell kids not to be racist. It wouldn't bother me if there were more blacks and Asians here – we all mix at school and the only thing is the difference in people's skin. What we're really worried about is the Chinese gangs who bully the white kids."

Mr Patel's neighbour is British-born Mr Chibber, also reluctant to give his full name, whose family hails from India. He, too, had "NF" daubed on his shutters, at Star Grocers, but that didn't frighten him off.

"I've been here 14 years and I've never had any serious trouble," he said. "Some of the kids try to give me lip by calling me 'Paki' but I give as good as I get. People have to work out their own way of living together – you can't learn from a few seminars.

"Come to think of it, I did have trouble once. I was hit over the head as I locked up. But that was different. That was just for the money."

Friends together: Mr Patel says people are nice to each other on the Brook estate Photograph: Peter Macdiarmid

Initiative to combat problem derided

Jason Bennetto
Crime Correspondent

Ethnic rights groups yesterday accused the Government of paying lip service to anti-racism as the Home Office announced a series of events to tie in with the launch of the European Year Against Racism.

The government initiative was criticised by Sukhvinder Stubbs, director of the Runnymede Trust, an independent race-relations think-tank, and part of the official UK committee chaired by Timothy Kirkhope, the Home Office minister. She said: "It's been 20 years since the Race Relations Act and frankly it's time for more than a talking shop.

"We need local authorities and others to help change the attitudes of young people. There are still parts of Britain where virtual apartheid exists, such as Somers Town, Greenwich, and Eltham, [all in London] which are no go areas for black people. We need a programme to change the attitudes of young people, legislation to enforce it and a party leadership that says no to racism."

Speaking yesterday at the launch of the initiative, John Major said a "great deal of progress" combating racism had been made in the last 40 years – but more needed to be done. "There must be no position, no job, no opportunity, no right from which people are excluded by reason of their creed, their colour or their background. That is what we need to work towards."

An alliance of anti-racist organisations said, however, that the Tories had introduced a string of measures that had seriously harmed ethnic minorities in Britain during the past decade. Lee Jasper, of the National Assembly Against Racism, said: "The Government has an abysmal record on combating racism... Over the past 15 years there has been a series of policies on issues such as education, law and order, and the police, which have lead to a deterioration of race relations."

Mark Wadsworth, of the Anti Racist Alliance, added: "We need proper initiatives that address the practical problems faced by victims. The European Year is tokenism."

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Teachers win battle over retiring early

Judith Judd
Education Editor

Ministers yesterday bowed to pressure from teachers and backed down over proposals to curb early retirement in the profession from April.

Gillian Shephard, the Secretary of State for Education, said the changes would be postponed until September, despite earlier advice from the Treasury that a deferment would be too expensive.

The present scheme costs £480m a year as four out of five teachers take early retirement. The proposals aim to reduce early retirements by 25 per cent by loading most of the costs on to local authorities.

Teachers have begun a stampede to retire, with 11,500 trying to leave this term.

Mrs Shephard denied the postponement would mean funding thousands more early retirements.

The effect, she argued, would be cost-neutral because the rush of teachers to retire would be halted and there would be no rush between April and September.

But she acknowledged the Government was relying on employers' assistance: "I expect employers to behave responsibly during the period up to September 1 and not to grant unnecessary premature retirements."

She emphasised her decision had been taken on commonsense grounds after employers and teachers asked for more time to plan the reforms and to avert the departure of thousands of teachers two-thirds of the way through the school year.

Education + with The Tabloid today

However, she said abuse of the scheme must end. "It is not acceptable that people retire on grounds of ill-health and then reappear very rapidly as supply teachers."

There will be a long-term review of the scheme. Ministers are also considering introducing an option for teachers to retire early on reduced pensions and for older teachers to step down to less senior jobs while retaining their pension rights.

Ultimately, if teachers wanted early retirement, they would have to help meet the cost, she said.

Graham Lane, education chairman of the Association of Metropolitan Authorities, said: "We have made it clear to Mrs Shephard that we will not be a soft touch. But we cannot guarantee that today's announcement will be cost-neutral."

Mrs Shephard's original decision brought one of the biggest protests from teachers, with head teachers threatening to disrupt teacher training unless the plans were deferred. Two teacher unions challenged her in the High Court.

Nigel de Gruchy, general secretary of the National Association of Schoolmasters Union of Women Teachers, welcomed the postponement but added: "There is no sign that the Government is inclined to tackle the fundamental problem: the scandalous mismanagement of the notorious notional pension fund and the state of the teaching profession driving thousands to flee into early retirement."

Head teachers said the immediate crisis had been averted but predicted severe recruitment problems from September rather than April.

Travelling companions: Tony Blair carrying a swarm of media folk with him on walkabout in New Ferry, Wirral South, yesterday Photograph: John Voos

DAVID Aaronovitch

Red Wirrals triumph as the greys become extinct

I missed Brian Mawhinney, Michael Forsyth and William Hague's momentary visit to the Wirral yesterday. I'm not fond of jokes involving an Irishman, a Scotsman and a Welshman and anyway, judging by the posters (a very poor guide, let it be said) the supporters of New Labour up here are winning out over those who favour Mr Major's cause. By polling day the Red Wirrals are likely to be triumphant, and the Grey Wirrals all but extinct.

No, I was off to see Tone campaigning – for precisely one-and-three-quarter hours. First in a factory making fridges that I have never heard of, and that do not appear in any of my *Which?* magazine surveys – so no wonder the company is keen on the publicity. Mr Blair went round in a brisk rectangle, then gave a five-minute collective in-depth interview to the local media – then got back in the car and whizzed off to campaign headquarters. This is not the front-room of Councillor Sidebotham's terraced house. It is (or was) a supermarket. Indeed, at first I mistook it for Kwik Save, with its big plate-glass windows and special offers in bright red ("vote for Ben Chapman, and get two votes at the next council elections").

Then he moved on to a windy pedestrian precinct, and into a few shops and cafes. The first cafe seemed a little unusual in that – 10 minutes before our Tone turned up – the manageress was wearing large red rosette, and half the customers were brandishing flags. But perhaps the New Ferry Diner is always like that. And perhaps Brian Mawhinney is going to invite me to his house for the weekend. Nothing, however, prepares you for the weird folly of a leader's walkabout. In Mr Blair's wake (and all around him. And in front of him) gambolled representatives of the local press, newspapers, radio stations, national reporters, BBC *News*, *Newsnight*, and foreign television stations.

It reminded me of the chase scenes from *101 Dalmatians*. Except instead of sweet, furry, incontinent puppies there was the gaberdined and boom-waving human ribbon of struggling, pressing, whinging, joking, moaning, humorous, corpulent media folk. The television camera operators are particularly lethal, carrying many pounds of very expensive kit, which they stick right in front of their eyes while walking. Thus they cannot see minor obstructions, such as sketch writers, children and pensioners. "Why are they all here?" moaned one Blair aide with unintended irony. "It's only a matter of time before someone's killed," complained another. This would, of course, be very bad news – "Japanese film crew smothers war veteran on Blair trip – I am desperately sorry says Tony".

And what of the man himself? He's good-looking, and – like polar north – the needle always points to him. But he does not really love pressing the flesh as Bill Clinton does - or even as Neil Kinnock did. He will not launch in, scoop up babies, rearrange families, cheerily invade the space of others with unsought kisses and cuddles. Instead he shakes hands firmly, smiles slightly apologetically, says "all the best", "nice to see you" and gives a thumbs-up to distant well-wishers (I got three). Such minor diffidence reminds me of Prince Charles on one of his better days – all good manners, polite interest, and reserve. Mr Blair would make an excellent Scandinavian Queen.

That was not the view of the pensioners in New Ferry, however. "Ooooh, he's got a nice, firm 'and shake, 'asn't he," one lady said to her friend. "Can you imagine John Major being so friendly and down to earth?" Can I? Oh yes.

Labour gives pledge on age of gay consent

Colin Brown
Chief Political Correspondent

A promise to allow a free vote on reducing the age of consent to 16 for homosexuals was made last night by the shadow Home Secretary, Jack Straw, in a speech aimed at securing the gay vote in the general election.

Leading for Labour at a meeting of Stonewall, the gay rights pressure group, in the House of Commons, Mr Straw committed a Blair government to repealing section 28 of the Local Government Act banning schools from presenting homosexuality as an acceptable lifestyle in sex education classes; and to incorporating European Convention of Human Rights into British law to help protect gay rights.

His remarks will be welcomed by many gay voters, but they were criticised by Outrage, the militant gay campaign group, for not going far enough.

Mr Straw carefully avoided committing Labour to putting changes to the age of consent high on its own agenda. But he said Tony Blair, as a former shadow home secretary, supported a reduction in the age of consent to 16, not 18, the limit reached when the Commons last had a free vote on the issue.

"This is an issue where, rightly, there is no party line, only personal views," he said. "I believe very strongly that there are no grounds for making a distinction in law for differing ages of consent; and many grounds for having the same age.

"There will be a number of Bills on criminal justice in the next Parliament. I have no doubt that on one at least it will be possible to move amendments to lower the age to 16. When that happens we shall have a free vote and I shall vote for 16."

On section 28, introduced under Margaret Thatcher in 1988 in the face of fierce opposition by the gay lobby, Mr Straw said: "It is our long-standing policy that we would repeal it." And he added: "There should and can be no proselytisation of particular lifestyles in schools. But other more sensible provisions of the law ensure that. And head teachers parents and governors are well able to check that this occurs."

The incorporation of the Convention on Human Rights was "one of the most important steps" a Labour government would take, he said. The convention guaranteed rights of respect for each citizen's private and family life, without discrimination on any ground. "Incorporation of the conventing should not be a party political matter."

Peter Tatchell, the leader of Outrage, said the free vote on the age of consent was u cop out. "Labour would never allow a free vote on discrimination against women or the black community and human rights are not a matter of MPs' consciences. Labour's pledge to incorporate the European convention on human rights will do little to help the gay community and little to eradicate homophobic discrimination.

"At the time of the 1992 general election, Labour had a manifesto commitment to introduce legislation to outlaw discrimination based on sexuality. That commitment now appears to have been dropped."

Judges curtail juries' ability to punish police

Patricia Wynn Davies
Legal Affairs Editor

The freedom for juries to punish the police for misconduct was dramatically curtailed yesterday under Court of Appeal guidelines designed to cap "exemplary" damages awards at around £25,000 or less in most cases.

Giving judgment in two test appeals by the Metropolitan Police Commissioner, Sir Paul Condon, the court slashed £185,000 off the punitive element of a record £220,000 jury award to a south London hairdresser, Kenneth Hsu, last year for wrongful arrest, assault and false imprisonment.

Lord Woolf, the Master of the Rolls, said that £15,000 plus £20,000 basic and aggravated damages for maltreatment) should "suffice to demonstrate publicly the strongest disapproval of what occurred and make it clear to the commissioner and his force that conduct of this nature will not be tolerated by the courts".

Mr Hsu, 34, was held in a neck lock, punched, kicked, struck across the face with keys and racially abused after officers tried to force their way into his home over a dispute with a lodger. He made two unsuccessful complaints to the Police Complaints Authority. His solicitor, Sadiq Kahn, said: "We have previously had clients who have been awarded similar amounts, yet police officers continue to go unpunished."

In the second appeal, the three appeal judges declined to interfere with a £51,500 award (£1,500 in basic damages and £50,000 exemplary) to Claudette Thompson, a mother of three in her thirties, for false imprisonment, assault and malicious prosecution. But they made it clear that the appropriate award would have been £20,000 for basic and aggravated and £25,000 exemplary.

Under the guidance yesterday, judges will direct juries that the starting point for basic damages should be £500 for the first hour of loss of liberty, with damages on a reducing scale thereafter. In cases of malicious prosecution, the figure should start at £2,000. Aggravated damages, to reflect high-handed, insulting, malicious or oppressive conduct, should begin at £1,000.

Exemplary damages, to mark the jury's disapproval of police conduct, would be unlikely to be less than £5,000, but misconduct would have to be particularly deserving of condemnation to justify £25,000. The absolute maximum was £50,000, but only for particularly bad conduct directly involving officers of at least the rank of superintendent.

Ms Thompson was assaulted by four or five officers. Officers, including two inspectors, later gave false evidence.

The judges urged that seven more appeals against heavy jury awards should be settled out of court. But Jane Deighton, solicitor for Daniel Goswell who received £302,000 after being hit over the head with a truncheon, said that she would have to consider the ruling's implications. "The Court of Appeal has debased the role of the courts in upholding civil liberties. The maximum is now comparable to that payable in wholly incomparable libel cases. The court condemned the police behaviour but their words will be ignored by the police even as they consider this judgment."

Beatles for sale: Only the wealthy need apply

Lennon and McCartney lookalikes Gary Gibson (left) and Lawrence Gilmour modelling two of the Fab Four's guitars up for auction today. 'Lennon' holds a Rickenbaker, the only guitar signed by all four members of the band and expected to fetch between £80-£100,000, while 'McCartney' has a gold-plated Hoffner violin bass (£100-£150,000).

The sale collection of Beatles memorabilia, which includes articles such as McCartney's school maths book (tipped to fetch £25- £30,000) and the singer's birth certificate (£8-£9,000), should sell for more than £1m. Also for sale are the original lyrics to 'Penny Lane' and Lennon's Afghan coat worn on the cover of 'Magical Mystery Tour'. The auction will take place simultaneously in Japan and London, with bidders linked by satellite.

Photograph: Andrew Buurman

Hundreds seek help after HIV doctor dies

Glenda Cooper
Social Affairs Correspondent

Hundreds of worried women flooded hospital helplines yesterday after a junior doctor who died last week was found to be HIV positive.

In one hospital more than 2,000 babies were delivered in a maternity unit while the doctor, believed to be Dr Olukayude Fasawe, a 28-year-old Nigerian, worked there.

But doctors' leaders yesterday resisted calls for compulsory testing of all healthcare workers before they take up employment, saying it was a "simplistic solution" which would not protect the public.

At the Royal Shrewsbury Hospital, where the doctor worked from last August until 4 February, officials said that of the 2,000 babies born, 49 of the births involved Caesarean or other surgical procedures and three other women received gynaecological treatment in his presence.

Only these 52 were considered to be at very slight risk. By lunchtime yesterday 150 women had called the hospital.

Dr Rosemary Geller, Shropshire's director of public health, had a baby in the unit during the doctor's stay.

"The risk is minute, but I understand that Aids is frightening and it is important that we do everything we can to reassure these women," she said.

"At the same time I would emphasise that we have never had a case in this country of HIV or Aids being transferred from a healthcare worker to a patient."

DAILY POEM

Managing the business

By John Lucas

Flick-flick the wipers go
and that, too, could be sex,
like rain tonguing the windscreen, like
his Rover's beam probing furry dark.

Behind him, his office cools to yesterday;
though still he feels the pen gripped in his fist,
its nib that drove through twenty names: come
morning they'll queue in hope and he'll say no.

But now he plans her sleepy "yes", the white
neck as she bends to work and he stands there
choosing faces of men who'll plead for reprieve:
while visions last his love can never fail.

This poem comes from *One for the Piano*, the latest collection by the Nottingham-based poet, critic, editor, Research Professor (at Nottingham Trent University) and jazz cornet player, John Lucas. It costs £6.95 from Redbeck Press, 24 Aireville Road, Frizinghall, Bradford BD9 4HH.

europe

Too soon to forecast Emu's extinction

Yvette Cooper

Malcolm Rifkind is downright hostile. Kenneth Clarke hopes it will be delayed. British businessmen and bankers gathering for a seminar this week were baffled that Europe had ever got this far down the single-currency road. Across the country, the British cannot quite believe Emu is really going to happen.

But extricating ourselves for a moment from the Anglocentric perspective, the picture looks rather different. Admittedly. Germany is now in a much worse position than expected and many problems remain to be ironed out. Nevertheless, it is far too soon to write Emu off. Critical to the project is Germany. As Bruce Kasman of JP Morgan explains: "If Germany does badly this year, the whole process is at risk."

The Maastricht Treaty says members joining monetary union have to fulfil certain criteria, the aim being to ensure different economies are close enough together to cope with a common currency and common interest rates. Government borrowing must be below 3 per cent, debt below 60 per cent of GDP and inflation within 1.5 percentage points of the three best performers. Long-term interest rates are supposed to converge, and the currency remain stable.

The trouble is that Germany's ability to meet the debt and deficit criteria in 1997 is in serious doubt. Julian Jessop of Nikko Europe believes "it is next to impossible for Germany to meet a strict interpretation of the Maastricht criteria."

Unemployment last month was higher than anyone expected, pushing up spending on benefits and squeezing taxation revenue. The government currently forecasts borrowing in 1997 of 2.9 per cent of

Rifkind is hostile, bankers baffled, but monetary union is still on the cards

GDP. However, many City analysts reckon the figures will be considerably higher. Robert Prior of James Capel says: "Germany is looking very vulnerable. Our central view is that Emu will be delayed."

But it is too soon to write Germany off. Costs of reunification and the timing of corporate restructuring have hit it hard. But Mr Kasman predicts growth could start picking up this year. And even if growth and unemployment remain sluggish, the political will in Germany is such that more spending cuts could still materialise.

Even if Germany does not meet the Maastricht criteria, the game is not over. As Philip Chitty of ABN Amro points out "the [European] Commission is about deals and compromises." Monetary union between countries with deficits roughly 3 per cent (give or take 0.2 per cent here and there) could yet be "fudged" together. On current forecasts that probably means Germany, France, the Benelux countries, Austria, and, more surprisingly, Finland and Ireland. Even Portugal could squeeze itself in.

But what about Italy and Spain? On this the entire project could turn. Italy is desperate to get into a single currency as fast as possible. Yesterday the Prime Minister, Romano Prodi, promised another mini-budget to squeeze Italian finances into shape.

Bizarrely, if Italy is successful, that could jeopardise EMU.

The German public are particularly hostile to monetary union which includes the Italians, fearing the impact of the Italian history of financial and political instability on the strength of the new currency.

A plausible first wave for monetary union in 1999 depends on the Commission being able to draw a credible line between the ins (including Germany) and the "pre-ins" (including Italy), while keeping Italy happy with a deal on joining the Emu club in the years to come. Should Spain fail to meet the Maastricht criteria too, Italy will lose less face and political compromise might be easier.

In the long term, sustainability of the single currency will depend on member-states' ability to cope with common interest rates, in particular on governments' ability to use tax and spending to cope with local economic problems once devaluation is no longer an option. But these kinds of policy questions will hardly get a look-in in the battle to decide who gets in, and whether Emu goes ahead at all. Instead, it will be the performance of the German and Italian economies, and the determination of European politicians that matter most.

The Maastricht Criteria

Government debt should not be more than 60% of GDP. The government deficit should not be more than 3% of GDP. Inflation shouldn't overshoot the performance of the three lowest inflation countries by more than 1.5 percentage points. (In 1996 that meant consumer price increases of less than 2.5%). Long-term interest rates should not be more than 2 percentage points higher than in the three lowest inflation countries. (In 1996 that meant not higher than 9%). The currency should operate within the ERM margins for two years without devaluing.

Rifkind's warning words to Germans

Imre Karacs
Bonn

"Here I stand," said Malcolm Rifkind, breaking into German to conclude the lecture with Martin Luther's immortal words. "I can do nothing else."

For once, the audience was inclined to agree, rewarding the speaker with warm applause and not a little laughter, which rose to a crescendo when the chairman expressed his hope to see Mr Rifkind again after the coming elections. There was much discussion afterwards of last boats in the convoy and trains leaving the platform. The consensus was that Britain had missed both.

"A very interesting discussion," said Hermann Berie, a civil servant who had come to the Konrad Adenauer Stiftung to hear the British Foreign Secretary's views on Europe. "I didn't think that Mr Rifkind, who is after all a diplomat, would put things so directly."

Was there any chance that British anxieties, so eloquently expressed, might influence German debate? – "None. We have been hearing this for six years."

The Foreign Secretary had been invited to the governing Christian Democrats' think tank to explain the British government's views on Europe to ordinary Germans, although there were not many of those about.

German plans for closer integration in Europe would weaken democracy, Mr Rifkind warned, spelling out Bonn's centralist proposals at the inter-governmental conference (IGC). But for the audience, the battle has already been lost – or won. Britain signed on at Maastricht and the train cannot be stopped.

What Germans wanted to hear about was monetary union, which Mr Rifkind did not cover. And so the questions came flooding in, not about integration, but about Britain's attitude to the euro. It was "very unlikely", he informed them, that Britain would join monetary union in January 1999.

Mr Rifkind was also quizzed about alleged British duplicity in the former Yugoslavia, London's views on an integrated defence structure and, inevitably, bovine spongiform encephalopathy – "I also eat beef," he reassured them.

The assembled ranks may not have been a representative sample of German society, but in their lack of interest in the lofty goals of European integration, they were not all that out of touch with *hoi polloi*. Poll after poll shows that ordinary Germans either accept the political establishment's arguments in favour of closer integration, or simply do not care.

There was no meeting of minds either between Mr Rifkind and members of the government. "We had a very good discussion with Herr Schäuble about federalism," he told reporters. Wolfgang Schäuble, the number two in Helmut Kohl's government, thought federalism was a Good Thing, because it had served Germans well. Mr Rifkind insisted federalism in Europe would be a Bad Thing, because it would transfer power from national institutions to a super-national structure. And there they stand.

'People see a constant transfer of power in one direction only'

This is edited text from a speech given yesterday by the Foreign Secretary, Malcolm Rifkind, to the Konrad Adenauer Stiftung, in Bonn.

"The question at the centre of the debate in Britain is this: where is Europe going: do we want more integration?

"Political integration is different from economic integration. In fact it may be exactly the opposite. Political integration is about centralisation not decentralisation. People talk about pooling sovereignty, but what they mean – to put it more crudely – is transferring power from democratic national governments to European Union institutions.

"Majority voting, greater powers for the European Parliament, more powers for the Commission. Whatever their merits, these are all proposals for more centralised decision-making, for concentrating power in Brussels...

"Part of what disturbs people in Britain and many elsewhere is that they see a constant transfer of power in one direction only. They see all the footprints leading into the cave, and none of them coming out. So they doubt whether it is wise to go any further inside themselves. Where does it end?

"The conclusion that many draw is that, logically, this process will end in a European state. To quote one British newspaper: 'European leaders want one nation, one currency, one flag. Their dream of a federal super-state would be a nightmare for Britain'. Perhaps this view is mistaken; but that is how the process is perceived in Britain. Mistaken or not, that is a political fact...

"People in Britain ask, how does a United States of Europe differ from the proposals made by Germany and others for ever closer integration?

"How far down the road of integration do leaders in Germany and elsewhere think Europe should go? It is no good saying that the convoy must go at the pace of the slowest ship. We are not talking about convoys, we are talking about democracy. The European Union cannot afford to brush aside the deeply-held concerns of its peoples just because they happen to be in a minority.

"Since the Maastricht Treaty, the European Union has become, if anything, less popular – this is true in almost every member state. But the agenda for the present Inter-Governmental Conference seems to be on auto-pilot...

"Which way forward for Europe? My answer is that what we need is nations without nationalism, states without statism, and Europe without centralism. The European Union will be the essential framework for those states and those nations, working together in a close but decentralised partnership."

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Western security: Secretary of State sets out agenda for joint military brigade to bind Moscow to alliance

Albright presses project for Nato

Christopher Bellamy
Defence Correspondent

America's "Iron Lady", Madeleine Albright, the Secretary of State, yesterday met John Major and senior ministers for discussions in London on global security issues. Diplomatic sources said her visit to London so soon after being appointed to America's senior diplomatic post was of "immense importance".

Ms Albright is due to fly to Moscow tomorrow, and the continuing crisis over Nato expansion and Russia's vociferous opposition to it topped the agenda. But this was overshadowed by reports that Poland, top candidate for Nato membership, had sold T-72 tanks to Iran. The *Washington Times* cited CIA reports that Poland had sent five shipments of tanks – the most recent last summer. Although the US would not comment on the allegations, the report will be acutely embarrassing, given US concerns about Iran and Britain's disquiet over the *fatwa* on Salman Rushdie.

"It's inexcusable for a potential Nato member to be sending militarily significant equipment to rogue regimes that are antithetical to the United States," a US official said.

Ms Albright arrived in London on Tuesday night having put forward a radical plan for a joint Nato-Russian military brigade as a way of binding Russia further into the Western security structure. She came determined to press the US view that Nato enlargement, embracing new democracies in eastern Europe, would take place whatever Russia's objections, and take place on time. But there are real problems to be overcome.

Yesterday, Western diplomats broadly welcomed her initiative to create closer links between Nato and Russia by establishing a joint Nato-Russian military brigade, but the Russians dismissed it as posturing. Russia wants a legally binding agreement with Nato as a prelude to enlargement: the US, with Britain in tow, wants an agreement which is not legally binding and which does not allow Russia to veto Nato decision-making. "The proposal helps the Russians see Nato changing to reflect the new security situation," one diplomatic source said, but the Russians were unimpressed.

Ms Albright's first official appointment yesterday was at the Cabinet War Rooms, where Winston Churchill ran Britain's effort in the Second World War. She then met the Secretary of State for Defence, Michael Portillo, and moved to 10 Downing Street, where she met the Prime Minister, John Major, and Sir Patrick Mayhew, the Secretary of State for Northern Ireland. Finally, she met the Foreign Secretary, Malcolm Rifkind.

Mr Rifkind has recently been in Hong Kong and he and Ms Albright were expected to share concerns about freedom for its residents after China takes over running the colony in July.

Cyprus, where the Greek Cypriots are engaged in large-scale rearmament, is of particular interest to Ms Albright who was Washington's permanent representative to the UN from 1993 until her appointment as Secretary of State. Diplomatic sources said last night that Britain, the former colonial ruler of the island, "planned to be active" with the US in resolving the 23-year impasse on the island.

Mission of State: Madeleine Albright and her entourage leaving the Cabinet War Rooms, off Whitehall, yesterday on their way to a meeting with John Major, Sir Patrick Mayhew and Malcolm Rifkind at 10 Downing Street Photograph: David Rose

US steers perilous Russian course

Phil Reeves
Moscow

The Russians are sabre-rattling. They are bartering and spouting popular rhetoric aplenty. But none of this diminishes the perils bound up in the policy that Madeleine Albright, the American Secretary of State, will try to sell to the Kremlin when she arrives in Moscow today.

Her mission to persuade Russia to accept the eastward expansion of Nato marks the lowest point in the West's handling of their former adversaries since the end of the Cold War, and carries monumental political implications.

Even the details of the talks have been littered with misjudgements. Ms Albright's attempt to throw a carrot to her opponents by offering to set up a Russia-Nato brigade was greeted in Moscow yesterday first by silence, and then dismissively. "It is a tactical gimmick at making our position more difficult," said Alexei Arbatov, a leading member of parliament's defence committee.

Nor were Russians at all happy to see the Nato Secretary-General, Javier Solana, touring the newly-independent states along its volatile southern flank last week. The alliance airily claimed the trip was long-planned, but – in terms of *realpolitik* – it was a blunder, deepening Moscow's widely misunderstood sense of outrage at a time when the West should be trying to calm emotions. Yet again, Russians had reason to believe that Nato was belittling its position.

They have a point. Nato's advocates often argue that Russia will ultimately accept the alliance's expansion because it has no choice, as it will go ahead even if no agreement is reached. They also tend to dismiss Moscow's protests as an attempt to extract the best terms possible from a foregone deal. Though partly true, this badly understates Moscow's position, and its significance.

Russia's democracy is a fragile and sickly infant. Boris Yeltsin may soon be forced by ill health to step down, unleashing fresh political uncertainty. The country desperately needs political and economic stability if its political institutions are to be sure of survival. To secure this, Moscow needs and wants a sound relationship with the West – including full involvement in a new European security structure, and co-existence with the old Nato. The alliance, in its rush to ensure its own survival by growing, is creating the opposite conditions.

Resentment over what appears to Russian eyes to be post-Cold War triumphalism threatens to deepen domestic anti-Western sentiment and militant nationalism. The claim that ordinary Russians care little about Nato's growth is bogus, not least because it is based on highly unreliable opinion polls.

Less mention is made of a poll, earlier this month, which showed that four out of 10 respondents want Russia to become a dictatorship. It is no coincidence that the rising star of Russian politics, Moscow's mayor Yuri Luzhkov, has chosen to campaign on nationalist issues.

Russia's political élite, united in their opposition to Nato's growth, warn that anti-Nato sentiments could easily spawn disruptive policies, both at home and abroad. Expansion into Poland, the Czech Republic and Hungary is a political rather than a military threat, but Moscow may respond by ploughing more money into its armed forces – cash that is desperately needed for military reform, wages, and pensions.

The same voices warn that Moscow, angry and isolated, has a further excuse to seek closer ties with Iran and China. It is also likely to want to forge ahead with creating a defence and security system among ex-Soviet nations in the Commonwealth of Independent States (CIS), deepening Europe's new dividing lines.

Russia is no innocent in this unsavoury affair. It has played much of its hand dismally. The Chechen war only bolstered the case for its neighbours to seek Nato protection. It is also undeniable that much of Moscow's indignation is rooted in raw emotion, the injured pride of a fallen superpower.

Yet, for all their fury, Moscow's protests also reflect political realities. Nothing that Ms Albright can offer Russia today is likely to lessen the impression that – despite the experience of the last 80 years – the West has learnt little about the dangers of mishandling defeated superpowers.

French will not have to declare guests

John Lichfield
Paris

The French government yesterday backed down before the massed ranks of the country's artists and intellectuals and announced two changes to a proposed immigration law.

It remained unclear, however, whether it had done enough to quell the protests which are, in any case, aimed partly at the rise of the ultra-right French National Front. A large march against the new law – led by film directors, writers and actors – will take place in Paris on Saturday.

The principal objection of the protesters is a clause in the immigration law which would toughen an existing requirement for certain foreign visitors to obtain a "lodging certificate" before entering France. Under the original proposal, a local mayor would have had discretion to block the certificates and French hosts would have to alert the authorities when their guests leave.

The objectors, led by artists such as the cinema director Bertrand Tavernier, and actress Catherine Deneuve, threatened to break the new law. They said it would turn France into a nation of anti-immigrant informers.

Under two alternative government amendments tabled yesterday, responsibility for administering the documents would pass to the prefects – the principal national government officers in each department. More significantly, it would be left to the visitors themselves to inform the authorities when they departed.

This shift in policy is not entirely the result of the protests. Aspects of the new law were almost certain to be declared unconstitutional by the Conseil d'Etat, the country's constitutional watchdog.

The protesters have made it clear that they are motivated, in part, by the recent poll success of the National Front. They said yesterday that the proposed amendments were not adequate calling for the complete withdrawal of the new law.

THE DEATH OF DENG

After the years of despotism, China

Official successor has no clear rival for top job

Teresa Poole looks at the man most likely to lead China into the 21st Century

Following the reported death last night of Deng Xiaoping, one man moves straight into the spotlight. As far back as three years ago, when China's top officials celebrated the centenary of Mao Zedong's birth, President Jiang Zemin stood proud on the podium of the Great Hall of the People.

He addressed the 10,000-strong audience, clearly positioning himself as paramount-leader-in-waiting.

Sadly for Mr Jiang, 70, the historical analogy most often drawn for him is not with Chairman Mao, nor Deng Xiaoping, but with Hua Guofeng. Mr Hua was Chairman Mao's chosen successor in 1976 – but it only took two years for Deng Xiaoping to usurp him and seize the reins of power. Mr Jiang is similarly seen by many as a transitional figure rather than a future paramount leader.

However, he should not be dismissed too lightly; Mr Deng's long decline before death means that Mr Jiang has had ample time to position himself for any looming power struggle. He has recently shown every sign of being determined to hang on to all his positions if he can.

Mr Jiang was Mr Deng's third choice as heir-apparent. The two previous candidates, Hu Yaobang and Zhao Ziyang, both reformists, fell by the wayside during the 1980s, the latter was sacked after the Tiananmen massacre, and Mr Jiang was catapulted through the Communist Party ranks to become general secretary. He was a compromise figure who was tolerable to both reformers and hardliners, and to boost his standing, was swiftly designated by Mr Deng as the "core" of the "third generation" of leaders who would steer China into the 21st century.

By 1993, at Mr Deng's instigation, Mr Jiang had also picked up the titles of commander-in-chief of China's armed forces, and President of the People's Republic.

In China's opaque political system, however, job titles are no guarantee of status. Political power is more often linked to well-tested alliances and an effective client network behind the scenes. On this score, Mr Jiang is less secure. Has he the vision to lead the country towards a more mature system of government? Many Western analysts are unconvinced.

Jiang Zemin: May be only choice

Born in 1926 in Jiangsu province, Mr Jiang's father was a martyr of the revolution who joined the party in 1930 and "sacrificed himself early on". In the official history, Mr Jiang "when young engaged in underground work" for the revolutionaries, joined the party in 1947 and graduated the next year in electrical engineering at Shanghai's Communications University. In 1955, like many of his generation, he was sent to the Soviet Union, and spent six years at Moscow's Stalin Automobile Plant.

Back in China, he held administrative posts in various factories and research institutes until the Cultural Revolution, when he was sidelined but, according to the official histories, never lost his faith in communism.

Mr Jiang's rise to power started in 1982 when he was elected to the Central Committee. By 1985, he was the mayor of Shanghai. He joined the Politburo in 1987, and became Shanghai party chief the following year. He was only promoted to the Politburo standing committee in June 1989, due to his unexpected elevation to the position of party general secretary after the Tiananmen massacre.

The state propaganda machine has laboured to create an appropriate image of Mr Jiang as a man of the people. Official portraits describe him as "modest and courteous" and well versed in classical Chinese poetry. He speaks English, Russian and Romanian, and likes art.

Foreign visitors often complained that the President rarely moved beyond pleasantries and formulaic restatements of official policy. According to one Western diplomat: "He has little grasp of detail, and the conversation jumps from one subject to the next. He likes to show off his languages, but meetings rarely yield much."

Another Peking diplomat said: "I've seen a lot of Jiang Zemin over the years. I don't think you can judge him entirely on the basis of the experience that the Westerner has in meetings with him.

"He may be a lot more effective and incisive in his purely Chinese roles. I think the verdict on him is sort of an unproven verdict."

The Great Helmsman: The late Deng Xiaoping, seen here with his grand-daughter Mian Mian. His death may lead to a power struggle Photograph: New China Picture Co/Magnum

On the military front, the president has none of the revolutionary stature of the Long March generation, and no army background. So over the past three years he has actively courted the generals, making regular high-profile visits to army units, and increasing the defence budget. The tacit support of the military will prove crucial given his weak political base. Mr Jiang's strongest card is his official designation as Mr Deng's successor. In the short term, he will also benefit from the fact that there is no obvious alternative candidate for the top job.

The Prime Minister, Li Peng, is much hated because of his support of the Tiananmen Square shootings. Zhu Rongji, the deputy prime minister in charge of economic reforms, is widely respected among the new generation of technocrats, but has made powerful enemies during his attempts to cool the economy.

Qiao Shi, the head of the National People's Congress, is increasingly powerful but so far appears aligned with the President. At the moment, Mr Jiang has no clear rival.

Worrying legacy of social and economic ills

Daunting economic and social problems face China's leaders in the post-Deng era, threatening to undermine the authority of the Communist Party.

After nearly 17 years of rapid reform and breakneck economic growth, most people enjoy a much higher standard of living. But there is also widespread resentment about social ills, ranging from unemployment and endemic corruption, to the collapsing social welfare system. The Chinese needed no encouragement to follow Mr Deng's maxim that "to get rich is glorious", but the country is now experiencing the tensions that emerge when some people get much richer, much quicker than others.

On the economic front, China is suffering all the problems associated with rapid transition from a centrally planned system to one where market forces prevail. As one Western diplomat said: "There are a huge variety of scenarios available to choose from. There are plenty who take all the negative things, put them all together, and produce a catastrophe scenario, one in which China is going to break up, break down, central government will lose its authority, anarchy will ensue, and so on and so forth. Equally you can ... construct scenarios which show an unimpeded advance towards some status as an economic superpower, sooner rather than later in the next century."

At the moment, more than a third of the country's state enterprises are losing money and millions of workers have been sent home from moribund factories with partial pay or none. It is estimated 40 million of the 147 million urban workers are surplus to requirements; even projections from the Ministry of Labour speak of 268 million jobless by the end of the decade. The central government cannot allow large-scale bankruptcies because such a radical move would prompt serious labour unrest; already there are regular reports of disgruntled factory workers going on strike over deteriorating conditions, something unheard of in Mao's day.

Almost everyone lives much more comfortably than in 1978, but 70 million people, mostly in rural areas, remain below the official poverty level of £20 a year. In cities, too, the contrast between wealth and poverty is striking. At the bottom of the heap are the new urban poor, whose livelihoods are tied to loss-making state enterprises.

The dislocation of Chinese society has raised the alarm about a breakdown in public order. An urban crime wave, ranging from petty theft to gang violence, has swept the country, and China's streets are far less safe than 10 years ago. In response, the central government in April 1995 launched the biggest anti-crime crackdown for more than a decade, and tens of thousands were arrested in its wake.

Chinese complain even more vociferously about corruption. Despite repeated campaigns by the government and the party, economic crimes, embezzlement and bribe-taking are increasing at alarming rates. Few business transactions are carried out without something to oil the wheels of the bureaucracy.

A Communist Party document outlined some of the abuses that should be avoided: "Officials are not allowed to build private houses with public funds ... or attend banquets which could influence their decision-making process."

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THE DEATH OF DENG

marches into the great unknown

Defying Deng: A lone student faces the tanks in Tiananmen Square in June 1989

Photograph: Jeff Widner/AP

He showed no remorse for Tiananmen massacre

Reassessing the Tiananmen verdict is potentially the most politically explosive issue in the post-Deng era. "Sooner or later, there has to be a revision of the current verdict," a Western diplomat in Peking said. But any such revision of 4 June 1989, when hundreds of peaceful demonstrators were killed, is unlikely without far-reaching changes at the top of the Chinese Communist Party.

There have been repeated calls from political activists and dissidents for a rewriting of the official verdict on the pro-democracy movement.

In 1994, seven student activists involved in the 1989 demonstrations wrote in an open letter to the National People's Congress: "We believe the government's characterisation of it as a 'riot and a counter-revolutionary rebellion' is unjust and immediately should be reassessed."

There have also been petitions from intellectuals, academics and activists echoing the demand for a review and the release of those imprisoned after 1989.

Such appeals still fall on deaf ears, however. Since 1989, the leadership has steadfastly defended Deng Xiaoping's decision to send in the People's Liberation Army. As President Jiang Zemin declared: "If the Chinese side had not taken the resolute measures then, China would not enjoy the stability it is enjoying today." Mr Jiang himself was catapulted to power in the wake of the killings.

Mr Deng has never shown any remorse for the massacre. In the third volume of his collected works, published in November 1993, he explicitly took responsibility for the order to send in the troops. "It is lucky that I was still around. The matter was handled without difficulty," he told a visitor five months after the crackdown.

In recent years, however, the Deng family have had an eye on their father's place in history. His daughter, Deng Rong, defended him: "At least in my father's heart, he believed he had no other alternative but to take this action and that it had to be taken." But she added that China's inexperience in riot control had contributed to the "tragedy". On the question of whether there could be a reconciliation between the two sides, she admitted: "That's something which will be up to those who come afterward."

Mr Deng successfully obstructed any revision of the official verdict. In 1992, President Yang Shangkun proposed a fresh look at both 4 June and the position of Zhao Ziyang, who lost his job as party secretary after appearing sympathetic towards the students. Mr Deng blocked any such move.

In any power struggle in the post-Deng era, however, both reformers and hardliners could have a vested interest in overturning the verdict. It may be a way both to settle political scores and garner popular support. Those reformers who opposed the June 1989 military crackdown may blame Mr Deng posthumously for a misjudgement. Their aim would be to undermine the hardliners linked to the bloodshed, draw a line under the massacre, and press ahead with China's modernization. This could lay the ground for the rehabilitation of those in Mr Zhao's camp.

On the other hand, some hardliners have reportedly been planning to discredit Mr Deng's reform policies – and those who inherit his mantle – by blaming the 1989 demonstrations on the effects of "bourgeois liberalisation".

Just as an internal party power struggle may take years to be finally resolved, so probably will any rewriting of the official version of events in June 1989. "Now it has become possible to change that verdict, but I don't see it happening very quickly. A change in the verdict will mean that there has been a realignment of forces. And I think it will take some time for that to work its way through," one analyst said.

Long journey of the patriarch

1904: Born Deng Xixian in Sichuan province.
1920: Left China for France on a work-study programme.
1924: Joined Chinese Communist Party.
1927: Returned to China from Moscow; changed name to Deng Xiaoping; appointed chief secretary to party Central Committee.
1933: Disciplined for disagreeing with the party line and briefly imprisoned.
1937: Political commissar, 129th division, 8th Route Army.
1945: Political commissar, Shanxi-Hebei-Shandong-Henan Military Command.
1950: Political commissar, South-west Military Command.
1952-1966: Vice-prime minister.
1953-1954: Also Minister of Finance.
1955: Joined party Politburo.
1956: Appointed party general secretary.
1963-64: Acting prime minister.
1966: Removed from party leadership and government positions.
1969: Sent to do manual labour in Jiangxi province.
1973: Rehabilitated and appointed vice-prime minister.
1974: Elected to the Politburo.
1975: Joined Politburo standing committee; vice-chairman of the party central committee; first vice-prime minister; chief of staff of People's Liberation Army.
1976: Removed from leadership.
1977: Reinstated to all posts held at the end of 1975.
1978: December. Emerged as paramount leader when third plenum of the 11th party central committee backed his policies of reform and modernisation.
1978-83: Chairman of Chinese People's Political Consultative Conference.
1980 Resigned as army chief of staff.
1982: Joined standing committee of the politburo.
1983-1990: Chairman of Central Military Commission.
1989: Ordered Tiananmen crackdown; announced retirement from public offices
1994: Last public sighting in February.
Died 19 February 1997.

Hope against hope: A policeman checks an Albanian's passport outside the Greek embassy in Tirana as hundreds of people queued, seeking work abroad after losing their life savings in investment scams Photograph: Reuter

Albania on brink as the pyramid totters

Andrew Gumbel

The largest of Albania's so-called pyramid investment schemes, Vefa Holdings, appeared to be on the brink of collapse last night as it announced it was halting interest payments and setting up a schedule to reimburse investors with at least part of their capital.

The news, announced through a megaphone at Vefa's headquarters in the capital, Tirana, and confirmed by the company's president, Vehbi Alimucaj, in an interview with the Albanian service of the BBC, has the potential to create economic and political pandemonium in a country already hit by severe rioting over the past few weeks.

Hundreds of thousands of Albanians have money tied up in Vefa's investment scheme, which has been the most popular outlet by far for savers over the past two years. As Mr Alimucaj said earlier this week: "Not a day goes by without an Albanian having something to do with Vefa."

As other pyramid schemes ran into trouble, it cut interest rates from 6 per cent a month to 3 per cent, and switched payments from hard currency to the Albanian lek. But yesterday was the first time it halted payments altogether. The collapse of Vefa's investment arm would raise urgent questions about the creditworthiness of its other overt activities, which include hotels, restaurants, supermarkets, chicken farms, ferry services and bitumen production.

Western intelligence sources say it also risks sparking a kind of turmoil that will make the looting, burning and street battles of the past few weeks look like a children's tea party. Vefa is suspected of controlling major interests in arms and drugs smuggling and its collapse, according to the intelligence sources, runs the risk of sparking an armed conflict between rival mafia gangs seeking to pick up the business it leaves behind.

President Berisha: Touring country to save own skin

The immediate reaction was muted yesterday, as the news took some time to trickle out. There was a brief spasm of panic outside Vefa headquarters as investors feared they would lose their money altogether, followed by calm as they were told to start coming back today to claim their capital.

The company said it would make lump-sum payments immediately to anyone who had invested up to $5,000 (£3,125), gradually repaying those with capital up to $20,000. It was not clear what would happen to those who had invested more. Mr Alimucaj recently said his company had assets of $600m. Its liabilities, according to diplomatic sources, could be three times that.

The growing conviction that Vefa is on the brink of bankruptcy sparked political manoeuvring over the past few days. President Sali Berisha, whose Democratic Party has near-total control of the levers of power and the institutions of state, has gone on a tour of the country to make personal contact with the people and make extravagant promises such as the abolition of tax in some areas for the next two years.

He has tried to sound tough as well as tender, making clear the government can only repay assets frozen from failed pyramid schemes, not bail out the population from its own overstretched resources. But the aim of the tour is clearly to save his own political hide and distance himself from his own government.

A growing throng within the Democratic Party is demanding sweeping changes. A memorandum presented at a meeting of the party's National Council by a prominent group of parliamentarians last week called for the dismissal of the government and its replacement by an emergency cross-party administration, the departure of Mr Berisha from the party in the interests of bolstering his presidential impartiality, and a postponement of next month's presidential election pending a full political resolution to the crisis.

Mr Berisha, who has put out discreet personal feelers to the opposition in recent months, is said to have agreed with every point except the one concerning his departure from the party. The former Democratic Party chairman, Eduard Selami, who has spent the past two years in exile in the US after his fall from grace in Albania, returned home on Friday and is believed to be engaged in discussions about the possibility of his heading a transitional cross-party government.

significant shorts

Whitewater investigation continues, says counsel

Whitewater prosecutor Kenneth Starr moved yesterday to quash speculation that his departure means the investigation involving the Clintons is over, calling such guesswork wrong and dangerous.

"The reality is this: this investigation is active and it is at a sensitive stage with ongoing evaluative judgments. Those judgments have not been made," he said.

Mr Starr, the independent counsel who has been investigating business controversies and related cover-up allegations involving President Bill Clinton and Hillary Clinton since August 1994, issued his caution in a speech to lawyers in Washington. **Reuters – Washington**

47 bodies pulled from mudslide

Peruvian rescue workers have so far recovered 47 bodies from the site of a mudslide that buried two remote Andean villages, an official said. Fanny Vivanco, of the Abancay mayor's office which is coordinating the rescue, said: "There are unrecognisable bodies. We have a long list of people who have disappeared, but identification [of the 47 corpses] is difficult." **Reuters – Lima**

Vietnam colonels to visit US

Vietnam is sending a military delegation to the United States in a step toward possible future strategic cooperation between old enemies, the Pentagon said.

"Vietnam retains a large military that is in the midst of a modernisation effort," the Pentagon said in announcing the visit this month of six senior colonels from the Vietnamese Defence Ministry. "There's a natural basis for exploratory discussions regarding strategic issues of mutual interest." **Reuters – Washington**

Pakistan bans mixed dances

Pakistan's new government ordered a ban yesterday on what it called "mixed" dances of men and women together on state-run television as part of its plans to promote Islamic culture. An official statement said television officials were told that the new government's priorities were different from those of the previous ones. This appeared to be a reference to liberal trends introduced under former prime minister Benazir Bhutto to counter the popularity of foreign satellite channels. **Reuters – Islamabad**

Ciller survives impeachment vote

The Turkish parliament voted against sending Deputy Prime Minister Tansu Ciller to the Supreme Court for investigation into the sources of her considerable personal wealth. Deputy Speaker Kamer Genc said deputies voted 270 to 263 not to impeach Ms Ciller on allegations that her wealth was a result of illegal enrichment. It was the third and final corruption charge vote against her this week. **Reuters – Ankara**

Croatia defies tribunal

Croatia yesterday challenged the Yugoslav war crimes tribunal's authority and refused to hand over documents that might shed more light into atrocities against Muslims.

The standoff underscored the already strained relations between the Croatian government and the tribunal, which says Zagreb's failure to cooperate is hampering efforts to bring accused war criminals to justice.

"If we don't move forward with real cooperation, this tribunal will be crippled," Judge Gabrielle Kirk McDonald warned. **AP – The Hague**

Not guilty plea at genocide trial

Two former senior Rwandan officials pleaded not guilty to genocide and crimes against humanity in their first appearances before the troubled UN tribunal into 1994's mass slaughter. Anatole Nsengiyumva, a colonel in the former Rwandan army, and Ferdinand Nahimana, a former director of extremist Radio Milles Collines, appeared separately before the tribunal in north Tanzania.

They were the most senior former officials to plead but will be followed today by former colonel Theoneste Bagosora, widely considered the most wanted genocide suspect detained. **Reuters – Arusha, Tanzania**

A slip of the tongue, and the choice is easier

What a performance. Her Britannic Majesty's Principal Secretary of State for Foreign Affairs flies out. Before he has taken off he succeeds in demonstrating his party's terminal divisions on the subject of Europe. While there he gives a blue-ribbon demonstration of the coarseness and sheer lack of imagination in British official thought about Europe's foremost power. His tongue slips on the *Today* programme, causing Prime Minister and Chancellor hours of unwonted scampering and spinning. When he gets to Bonn he proceeds to lecture the Germans on, of all things, the beauties of nationalism. The mandarins of the Foreign Office, pillars of intellectual distinction, garnish his speech with a cliché of Immanuel Kant purloined from Isaiah Berlin and the only phrase sixth-form students of German ever learn from Martin Luther. Mr Rifkind, well briefed, manages to discuss the constitution of the federal republic without once ever mentioning that it is exactly that – federal. The fact that Germans think of European integration in terms of a concept of statehood which is historically and semantically quite different from the one current here escapes our man in Bonn.

But of course this was not really intended to be a speech addressed to the Konrad Adenauer Stiftung. It was a sorry attempt by a big man to raise his personal profile for the sake of party posturing in the post-election stakes. Every time Mr Rifkind does this, he becomes a smaller man. As the *Rheinische Merkur* observed before Mr Rifkind arrived, this speech was never intended to educate the Germans and the Swedes and the Danes. It was really an address to the British electorate. He would have saved the taxpayer a return air fare if he had simply got on the train for Lime Street and made his pitch to the electors of Wirral South.

Let us immediately scotch the idea that there is something improper about Malcolm Rifkind crossing the North Sea to harangue foreigners. The old protocols about what ministers should do abroad were always prissy. It actually serves the cause of Europe well for nation-state politicians to seek to build trans-national alliances, and to comment upon each other's affairs in public. For Mr Rifkind to drop a crude hint that he favours Wolfgang Schäuble's position on European integration when Herr Schäuble is being bruited as a replacement for Chancellor Kohl does no harm. We would welcome Klaus Kinkel coming to London to embarrass the Tories by pointing up the burgeoning gap between our Chancellor and Foreign Secretary – not a difficult thing to do, of which more anon.

But visitors, especially Secretary of State visitors, owe their hosts a duty of historical attentiveness. It was not just Mr Rifkind's complete failure to grasp the way the Germans live federalism that makes them so unworried by attaching powers to a European centre: the view of integration taken in Munich or Hamburg is heavily and properly skewed by the already-existing federal relationship between *Länder* and Bonn/Berlin. It was also his sheer lack of geo-political imagination. He says to the Germans: no, you cannot have European integration as presently conceived, that is bad for your national health. But there is nothing else for you either, save a utopian vision in which selling Mercedes-Benz cars becomes a recipe for universal peace and brotherhood. British politicians really must learn that if they are going to engage the attention of Germans they have to address their deep need to build their country in to Europe, to a network of alliances, to a destiny. If they are to argue convincingly that Chancellor Kohl's project for Franco-German rapprochement (a.k.a. European Monetary Union) is to be rejected or deferred *ad interim*, there has at least to be the beginnings of a suggestion for what replaces it. The German political class is, it must be said, confused and uncertain about whether there is such an alternative. Constructive thought from a British politician – *mirabile dictu!* – would be welcome.

But of course it is daft to expect originality from a Conservative politician at this point in the party's history or this stage in the electoral cycle. Votes and position are all; the long-run interests of the country be hanged. According to John Major we have no need of exegesis on the Government's position on a single currency; wait-and-see ambiguous, but straightforwardly ambiguous. However, Mr Rifkind yesterday set out to see how much clear blue water he could put between himself and Labour. Instead, no sooner had light streamed through the windows of Broadcasting House than he had set off an explosive device. We are, he said, *hostile* to single money.

Welcome the bang. It clears the air. Labour, per Robin Cook, has committed to a position which can be summarised as "empirical judgement on a nearer AD 2002". Malcolm Rifkind in effect says "never". If John Major were Jimmy Carter he would doubtless admit that he lusted after the Rifkind/Redwood position in his heart. So where on earth, let alone clear blue water, does that leave Kenneth Clarke? Waving and drowning? Behaving as you might imagine someone to behave who is witnessing his party slip further and further away from him but has not yet mustered the courage to articulate the difference?

The trip to Bonn was not therefore wasted, however little good it did the Germans. The nature of the European choice before the British people this spring became clearer. Labour, in its present buttoned-up mode, makes few slips of the tongue – witness the blandness of Gordon Brown's presentation in New York yesterday. Without slips of the tongue, its European position is friendly. The Tory stand, as Mr Rifkind revealed, is antipathetic. The choice becomes that much easier.

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A legal spanner in the works

When should people be free to mutilate their consenting friends? As far as the law is concerned, never. That is why it would have been absurd for the European Court to do anything other than support the convictions in the Operation Spanner case. How could a court decide where consent ended and coercion began? Impossible.

But the real lesson of this case is that it should not have been brought to court. No one complained of an offence being committed. No other person's decency or privacy was invaded. No one was prevented from complaining by fear or intimidation. Better to have left it behind closed doors.

• LETTERS TO THE EDITOR •

What we can learn from Doncaster

Sir: Your leader ("Doncaster – a case for stronger councils", 18 February) rightly states that "whichever party or parties take power at the election, they confront a common task: the re-establishment of government in popular affection."

Labour's agenda for local government involves a combination of democratic reforms, new duties and responsibilities and strengthened audit powers, to ensure quality services and good value.

The Government's approach, in contrast, has been to dictate to local authorities, telling them what to do and how to do it. This is an attack on the very strength of local government – its ability to reflect the diversity of each locality.

Under a Labour government there will be a new relationship between local and national government, one based on respect and partnership rather than, as at present, dictatorial rule.

HILARY ARMSTRONG MP
Shadow Local Government Minister
House of Commons
London SW1

Sir: Doncaster is undoubtedly not the only Labour council to keep Tony Blair awake at night. As your leading article implies (18 February), the problem is rooted in having one party in power for generations faced with little chance of defeat.

Tony Blair's current response to embarrassingly left-wing or corrupt Labour councils is to retain Tory shackles on local councils such as capping.

The best way forward for the Labour leader is to abandon the first-past-the-post system in favour of proportional representation. This would be the best guarantee that situations such as Doncaster become a thing of the past.

DAVID RENDEL MP
(Newbury, Lib Dem)
House of Commons
London SW1

Sir: If the alleged excesses of Doncaster Council are to be put down to the effects of municipal one-party rule and the absence of an effective opposition, the Conservative Party must take its share of the blame.

Not only do the Conservatives come a distant third in council elections across most of South Yorkshire, but in whole swathes of the county they are unable even to field a candidate. This is a disaster for everyone who believes in local democracy.

The result of this Tory meltdown is that Labour candidates are now elected unopposed in many South Yorkshire council wards. It was not always thus. In 1968 the Tories took control of Sheffield City Council and throughout the 1970s and much of the 1980s formed a large and vigorous block in the city. They now have a single councillor.

Tory party managers must urgently reflect on the wisdom of an electoral strategy which has sacrificed their party at a local level in the North of England, Scotland and Wales in the hope of hanging on to national power in perpetuity with the votes of suburban, mostly southern, England

Councillor PAUL BOWER
(London Borough of Hounslow, Lab)
Hounslow, Middlesex

Sir: I don't know how you can get the impression (leading article, 18 February) that "Labour's exercise of power locally is carefully hidden from view".

It might be hidden from those whose only contact with their Labour council is paying their council tax by direct debit. But it is certainly not hidden from the 60 per cent of people in a borough like Islington who have the council as their landlord or depend on its services. Their quality of life is crucially, and on a daily basis, affected by the inefficient and often dismissive treatment they receive.

Nationally, we're told, they're a different party. But what is a party nationally but the sum of its local parts? Local government has more impact on many individuals' lives than national government.

I am not one who shares what you describe as a "consensus" that a quick fix of elected mayors and a stronger ruling caucus will do the trick. Indeed, those proposals might intensify the fundamental problem, which is the arrogance of patronage, concentration of power and top-down rule inherent in Labour's political heritage.

Councillor SARAH LUDFORD
(Islington, Lib Dem)
London N1

Clean your trains

Sir: Stagecoach might recoup some customer goodwill lost over the cancelled South West trains ("Minister labels rail company inept over cuts", 18 February) if it took the opportunity to clean them while they are in the depots with no drivers. It does not seem to have done much of this since taking over.

Dr R M LOGAN
Walton-on-Thames, Surrey

Other ways to treat depression

Sir: It is not often I am persuaded to use the adjective "irresponsible", but I fear I must for the article written by Oliver James on SSRI antidepressants and their use ("The blue Nineties", 11 February), and in particular the suggestion that any other pharmaceutical management of depression should not be tolerated.

Let us examine the proper facts, as outlined in *The Treatment of Depression in Primary Care*. This document reviews 162 worldwide research papers on depression.

Fact 1: Cognitive therapy has been shown to be as effective as other treatments of depression in primary care.

Fact 2: There is no significant difference in efficacy or compliance with treatment between tricyclic antidepressants and SSRIs. Compliance is clearly related to acceptability by patients of the effect of the drugs.

Fact 3: Shift to use of SSRIs as first-line drugs for depression would cost the NHS an additional £100m per year for no greater clinical outcome.

SSRIs do have a place, but not the one advocated by Mr James. They are highly effective where phobic symptoms are a feature and in eating disorders. However, if Mr James and his ilk were to have their way, there would be far fewer resources to employ the therapists and mental health staff he also advocates using.

There is also one further fact he omitted. Paroxetine, one of the SSRIs, produces withdrawal reactions on cessation. This implies dependency can occur. I remember similar newspaper articles in the 1970s to that of Mr James's, talking about the wonder drugs of Valium and Librium . . . and we all know where that sorry episode ended.

Dr JOHN OLDHAM
Glossop, Derbyshire

No avoiding the euro

Sir: Why are we allowing MPs to run the euro debate? What they mean by sovereignty is that having removed layer upon layer of local government, with which many of us felt reasonably comfortable, they are now realising that it is their turn. Will they, as a final act of defiance, try to damage the introduction of the euro?

That business in Europe and a great deal of world trade will be conducted in the euro is inevitable. That the majority of British-based businesses will turn to it is certain. That employees will put their savings and pensions into the euro instead of a declining pound will be prudent. That more and more business will be conducted electronically in one of the three major trading currencies is unstoppable.

The sensible approach is to acknowledge the inevitable and get ourselves into the driving seat.

ROBERT PRENDERGAST
Beckenham, Kent

Sir: Your leading article on the European Social Chapter (10 February) displays the common misconception that a level playing field in social protection is necessary to achieve fair competition within the European Union. This was indeed one of the reasons put forward in support of the inclusion of Article 119 (on equal pay for men and women) in the Treaty of Rome. However, the competitiveness of a company or industry is influenced not only by cost of labour, but also by numerous other factors such as the availability of a skilled workforce.

The real reason for insisting on minimum labour standards is not an economic but an ethical one – the protection of the workforce from exploitation, to which the lack of commitment by our present government is outrageous.

KELYN BACON
European University Institute
Florence

National Parks: own worst enemy

Sir: Stephen Goodwin, in his report on the National Parks ("Business ploughs a green furrow", 17 February), helps to perpetuate the Parks myth by referring to them as "England and Wales's finest countryside". This is nonsense. The National Parks are, for the most part, upland areas, prone to a hostile climate at almost any time of year, and with very little of what the average Briton would class as "countryside".

The Parks are their own worst enemy. By so labelling themselves, they invite day-trippers. But their upland terrain seriously restricts communications, so that tourists in (for example) the Yorkshire Dales who wish to travel north-south are limited to just two or three single-track roads linking one dale to the next. Likewise, the various passes in the Lake District.

The best of the countryside is, perversely but perhaps fortunately, in those areas which are either more discreetly labelled (Areas of Outstanding Natural Beauty; Environmentally Sensitive Areas) or not labelled at all. Shropshire and Dorset come immediately to mind.

The sooner we debunk the myth of the National Parks, the better. The Scots, remember, have no National Parks at all. If they feel no need for them, why do we hang on to this idea in the South?

A D EVANS
Nottingham

Be fair to Danes

Sir: Further to Andreas Whittam Smith's article, "What the archives reveal about stolen treasures" (18 February).

Do justice to the Danes! To my knowledge, the small Jewish community of Denmark survived almost entirely because the Danes largely resisted collaboration with Nazi Germany.

AXEL SCHEFFLER
London SW2

Backward steps on adoption

Sir: The High Court judgment on the tragic case of Edita Keranovic has highlighted how complicated adoption can be, and how information and advice for all parties involved in this difficult area is desperately needed to safeguard the interests of children ("Family furious as judge says war baby must stay", 18 February).

In the light of Stephen Dorrell's announcement on Monday that adoption is to be made more open and independent, the imminent closure of the Overseas Adoption Helpline due to sudden withdrawal of government funds is to be deplored.

The helpline provides the only source of accurate, independent advice available to social workers, lawyers and other professionals, as well as would-be adopters struggling through endless red tape both here and abroad.

It is incongruous that amid government declarations of desiring local authorities to become "enablers" rather than "providers", the Department of Health should now decide that such a valuable information service be provided by local authorities – which are under no statutory requirement to provide assistance with inter-country adoption enquiries – rather than by an independent voluntary organisation.

PETER THURNHAM MP
(Bolton North East, Con)
House of Commons
London SW1

Sir: I am disturbed by the decision of the Family Division in the case of Edita Keranovic, reported by Jojo Moyes. Surely the interests of the child would be better served by returning her to her natural family.

During the Nazi occupation of Europe, many Jewish children were hidden with Gentile families. At the war's end there were real problems when it came to returning these children to those of their natural families that had survived the Holocaust. Indeed there are cases of children who refused to return or of Gentiles who refused to give up their charges.

In 1945 European Jews were desperate to find their missing relatives, to know who had survived. Their anguish can only be imagined when, having located their children, they found that their precious offspring had been alienated from them, with devastating consequences for the future.

ERIC RENDEL
Edgware, Middlesex

Into battle for Hastings

Sir: As a frequent visitor to Hastings, I feel bound to defend the town after the distorted picture painted by Nicholas Roe ("Wrong time, wrong place", 18 February).

No mention was made of that unique charm found in the old part of town: the squealing gulls, the fishing activity and collection of old buildings around steep streets. Clambering up them brings the visitor to fine views of the bay, the ruins of a castle and a lively smugglers' museum.

Attractions such as these and the Sea Life Centre are all more genuine than the tacky Vegas-style offerings in other coastal towns.

MARK GREY
Sidcup, Kent

Post letters to Letters to the Editor, and include a daytime telephone number.
Fax: 0171-293 2056; e-mail: letters@independent.co.uk).
E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity.

essay

Blair's fear of the fear factor

The Tories plan to frighten the nation into spurning constitutional reform. But, argues Anthony Barnett, backing down in the face of hostile fire could prove fatal for Labour

John Major is going to open the debate in the House of Commons over Scotland and the constitution today. He will raise the flag of the Union, which be believes won him the last election. And he ought to know. He intends it will win him this one too and dispatch Blair to the purgatory of opposition. The hard game commences. As it does Labour must project confidence in the principles of its commitment to reform. Otherwise Major could be proved right. The constitution is not its winning issue. but it can be a losing one.

Blair knows how to be an eloquent advocate of reform. His speech to the Labour Party conference as shadow Home Secretary before John Smith died and his Cardiff speech in his campaign to win the party leadership were not drafts produced by speech-writers for a busy leader more interested in other matters. The article that appeared over his name across three full pages of *The Economist* last autumn, passages of which are clearly in his voice, ranks as one of the best arguments of need for the constitutional reform of Britain. Major's inability to reply was a notable failure. In the battle of ideas a clear victory has gone to the swelling ranks of radicalism.

Constitutional reform is not, however, a popular issue in England. Even though many reforms receive very high degrees of support (in the case of freedom of information an astronomic 80 per cent), they are not voters' prime concern. Only in Scotland, with its deeper constitutional culture, does the electorate sense a connection between reform and the delivery of better social and economic growth. Across the rest of Britain, reform can only become genuinely popular when it happens.

Labour wants to fight the election on other issues. The Government does not. And the Tories have spotted a weakness: Blair and his advisers have measured the fear of change that resides in the bosoms of swing voters. Of course, such voters desire some change, or they would not be swinging. To make sure they do not swing back Blair feels obliged to reassure them they need not fear a change of government.

Some say that in *its* fear of the fear factor, New Labour risks destroying the hope factor of millions who positively want change. This could demobilise existing support. The Tories see a different, intrinsic vulnerability. By targeting Labour's fear of fear, they could expose it as a coward's strategy that no talk of strong leadership will disguise. If they succeed, Labour will emerge as genuinely dangerous or pusillanimous or both. Pendulum voters will then return.

The Tories will claim that Labour *naïveté* will destroy all we love best. That New Labour threatens the unity and coherence of our country with its half-baked plans. That concessions to Scots with a parliament and to minorities with a bill of rights will arouse but not satisfy the beneficiaries. That such reforms will provide light without warmth and lead to demands for the fire next time. Once put to the torch, our institutions will burn out of control.

And what will Labour reply? Cool it, is the advice Blair will receive. Arouse no expectations; neither alarm nor palpitate hearts in the marginals. Let the issue wither and focus on education, health, jobs and crime. Just tell the Conservatives that they are being silly.

In one sense such advice is right. Tragically, perhaps, voters still feel that issues of power, sovereignty and how the country is run, belong to "them", especially them with wigs and funny voices. But the Tories may well be right as well. They are more than used to rehearsing the supposed irrelevance of constitutional issues. They are Conservatives. They want the nature of the system kept to the margins of democratic politics. The long, historic silence was their first line of defence against mass suffrage. How is it, then, that those who are best as proclaiming the constitution's irrelevance now see it as an election-winning issue?

This is how they calculate it. The swing voter does not see all that much difference between the parties, except that Labour is new. We deserve a change, and while Blair is untried he can be trusted. As the constitution is the one issue where Blair has offered something different, it must be spun to show that Blair can't be trusted. If the Tories hammer at the issue, Labour could break and run. Then the people will be aroused.

Through its fear of the fear factor Labour could be panicked – this is the Tory strategy – into proclaiming that its reforms are not radical. That they mean only a slight degree of change. That the sacred spirit of our historic settlement will be safe in its hands. That the intention is only improvement and in no way replacement, with horrid, continental style written documents. Then it will be ambushed with the quotes from Cardiff, from Smith, from Brown, advocating the need for a "new settlement". Confusion will be sown in Labour ranks.

Such a Tory ambush could be effective because the constitution does touch the unity and destiny of the country, our nature as a society, our character as a nation. Knowing this, they will exploit it. If Labour denies that it is seeking to reform the system as a whole – if it projects reform as technical, complicated and piecemeal – then the Tories will, in their defence against any tampering, speak out for the spirit of the whole.

Fought out in these terms, the Conservatives would have two decisive advantages: the truth and a clear message. The British constitution is not a technicality. Change a part and you do indeed put the whole at risk, for it is a seamless web spun by the absolute sovereignty of parliament. Therefore Labour needs to justify the reforms it wants and say how it will lead the country in a fast-changing world.

But Labour does not have a theory of change. This is surprising as, more than any previous Labour leader (even if this is not saying much), Blair is interested in change. He is attracted to it and sees the need for it in Britain.

But what kind or change does he want? Fear of the fear factor, it seems, has silenced any answer. It is unanswerably the case that his approach is sweeping and ambitious, because he has so described it himself. But what laws of motion is he seeking to unleash? With Thatcher we knew the answer. Change for her came from the market. Free the market, and wealth could be produced and trickle down.

Blair is not a free-marketeer. He and Gordon Brown believe that the state is needed to help enable sustainable growth. A Fabian then? Blair has rejected "incrementalism", and it was old Labour that held that the man in Whitehall knew best. Liberalism? Blair rarely uses the word liberty. His political attitudes are communitarian rather than individualist. Obviously he is not a leftist who believes in a take-over from below. He is not – certainly not yet – a conservative parliamentarian who regards out institutions as embodying the wisdom of the ages. He sees the need for new answers and the redundancy of the old methods of arriving at them.

How, then, will he arrive at his? As the Tory assault on Labour's constitutional package gathers intensity, he had best respond. It could prove a disaster if Labour were to "deny" that a bill of rights, a Scottish parliament, abolition of hereditary peers, a freedom of information act, a referendum on the voting system, together add up to significant change. They would look evasive if not lying, because they would be evasive and lying. A contemporary democratic agenda does mean a new settlement. Is this what Labour wants? Deny it, and they are caught. Accept it and they will have to explain themselves.

There are only two ways of gaining a new settlement. Either all at once, in a single constitutional revolution, or step by step. Labour was right to reject Liberal-Democrat demands for a "Big Bang" on the constitution. Its alternative is a process of deliberate change.

Two kinds of change are on offer. One from the Conservatives, only they will not say so, and the other from Labour provided it dares to say so. The first, the traditional Tory one, is adaptation in order to remain the same. The second, the New Labour one, is alteration in order to become different. The motivation for the first is that we are already the best and simply need to keep our superiority intact. The motivation of the second is that we have fallen behind and need to change the relationships between government and society.

In *Beyond Left and Right*, the sociologist Anthony Giddens calls this second kind of approach "realistic utopianism". Adapting Karl Popper, I prefer "transformative engineering". Whatever the name for it, the broad meaning is clear. As a species we are becoming responsible for our planet while class divisions harden on a world scale. A global response is essential to overcome the dangers and gain the benefits of our new capacities. In these circumstances, both decentralisation and regulation are essential for the achievement of common objectives that retain the competitive creativity of an open society. It follows that we need to establish ambitious goals while taking simple, tangible steps to achieve them. Let's call it purposive evolution to contrast it with conservative preservation.

When Blair's advisers tell him to fear the fear factor they say people lack trust. However, people trust themselves much more than they trust any politician. There is a word for this: democracy. If Labour's constitutional reforms mean anything, they mean more and better democracy. It should not be afraid of saying so; it needs to give purpose to its method.

A firm rebuttal of John Major's constitutional assault is within Labour's means. Britain needs reform with consent that draws on the traditions of liberty and democracy. Consent means decentralisation and accepting difference (eg in Scotland). Power is to be shared, not monopolised. Uniformity and secrecy are British diseases, not successes. A freedom of information act will help to prove this, as it begins to cure it. The process needs time and must place confidence in the people. If Labour is too afraid to say this then, indeed, it should never have embraced reform in the first place.

The writer is director of the Birkbeck College Sovereignty Seminar.

Vote for us and mind your own business

Miles Kington

One of the reasons that election talk is so baffling and so dreary is that it has fallen into the hands of journalists (who see it as a kind of confrontational soap opera), psephologists (who see it as a once-in-five-years chance to get vastly over-excited) and politicians (who see it as another chance to lie their heads off). So today I have summoned one of our top business experts, Sir James Lee Harvey-Oswald, to give a businessman's slant and answer your questions in a refreshingly businesslike manner. All yours, Sir James!

I am seriously thinking of investing my vote in one of the parties at the next election, but I do not want to enter into any agreement that I might later regret. Do you have any advice on what sort of contract I should look for?

Sir James Lee Harvey-Oswald writes: Oddly enough, there is no contract to be signed. It is all done by verbal agreement. When you have voted, you have given the winning party your full approval to do whatever they like with your money for the next five years and there is nothing you can do about it. They do not have to consult you thereafter and they do not have to get your approval. They can buy or sell anything of yours they like ...

What do you mean by anything?

Sir James Lee Harvey-Oswald writes: I mean anything they can get their hands on. Water, railway systems, arms to Iraq ...

They have been selling railways to Iraq?

Sir James Lee Harvey-Oswald writes: No, just weapons.

Should they have been doing that?

Sir James Lee Harvey-Oswald writes: No. But then they said they weren't.

Why did they say that?

Sir James Lee Harvey-Oswald writes: They were lying.

Oh dear. How did they justify that?

Sir James Lee Harvey-Oswald writes: They didn't. They just said afterwards that they hadn't been lying.

So they lied about having lied?

Sir James Lee Harvey-Oswald writes: Yes. So you can see that there wouldn't be much point in entering into a contract with them because you couldn't trust them anyway.

Oh. Well, don't they put anything in writing at all?

Sir James Lee Harvey-Oswald writes: Oh, yes. Every party issues a prospectus of undertakings before an election.

Ah! This sounds more like it! Can I get hold of it?

Sir James Lee Harvey-Oswald writes: Certainly. It is called a manifesto, and it sets out the party's promises and commitments.

And if the party I give my vote to gets into power, it will carry out this programme of promises?

Sir James Lee Harvey-Oswald writes: Not usually. It would be considered quite odd, not to say suspicious, for a political party to carry out its election programme.

Why?

Sir James Lee Harvey-Oswald writes: Because an election manifesto is exactly what it says it is – a manifesto which enables it to win an election. When the election is good and won, they can put other ideas into practice.

But surely if a party fails to abide by its own manifesto, it is guilty of fraudulent practice or uttering false promises or something, isn't it?

Sir James Lee Harvey-Oswald writes: Yes.

So you could sue them or take them to court?

Sir James Lee Harvey-Oswald writes: No.

Why not?

Sir James Lee Harvey-Oswald writes: Even if you take a government to court, and even if you win, the government refuses to admit it. Michael Howard, the Home Secretary, is always being told by the law lords and the courts that he is wrong, but he never takes any notice.

Why not?

Sir James Lee Harvey-Oswald writes: Science has not yet come up with a satisfactory explanation. Current thinking suggests that Mr Howard's DNA contains a smugness gene of such strength that it debars him from ever admitting he is wrong about anything.

My goodness! Poor chap!

Sir James Lee Harvey-Oswald writes: Precisely. That is why we must all feel sorry for him. Even the Labour Party feels sorry for him.

Does the Labour Party refrain from attacking him, then?

Sir James Lee Harvey-Oswald writes: Yes. Well, they have given Jack Straw the job of criticising him, which comes to the same thing.

More of this enlightening interview tomorrow, I hope.

The nature of our DNA will always lag behind nurture

Polly Toynbee

Gene testing is pointless. Our fates are more likely to be shaped by our postcodes

Genes frighten us, for terrible things have been done in their name. Genes are modern runes – we fear reading in them the ghosts of the past and the future. We fear finding the meaning of life itself if one day they tell us precisely how much we are to blame – did we fail our gifts or overcome the defects allotted us by nature? The double helix is a double-edged sword and we gaze darkly into that twisted thread of life.

Gene-phobia surfaced twice this week, yesterday with the threat of genetic testing for life insurance. Earlier there were the chance remarks of Nobel prize-winner, James Watson, the discoverer, together with Francis Crick, of DNA. A misleading headline in *The Sunday Telegraph* read "Abort babies with gay genes, says Nobel winner". Needless to say, gay activists and pro-lifers called Watson "outrageous". (In any case, the "gay gene" theory is now scientifically discredited).

Watson is an awkward character so maybe he meant to throw a stone into the gene pool. However, as Richard Dawkins wrote in a letter to *The Independent* yesterday, what Watson actually said was that women should have a right to abortion for any reason, however trivial. The presence of a gay gene or the lack of a musical gene might be frivolous reasons, but if for whatever crazy reason, a woman decides she does not want the child she is carrying, what is the point of forcing her? Why create a gay child with a homophobic mother? In fact, of course, women very rarely abort frivolously – agonising over the decision even when a foetus has catastrophic defects.

But set aside the abortion issue. There is no point in arguing about it since no one ever crosses the great ideological crevasse that divides the pro- and anti-abortionists. Instead, let us examine the fear of genetic engineering that James Watson unleashed with his remarks. Designer babies!

By the year 2005 every single human gene will have been mapped in the mighty Human Genome Project that Watson initiated. So what if one day we can manipulate human genes? Will we rifle through Harley Street catalogues to assemble our baby of choice? For my daughter, I'll order up an IQ of 180, the voice of Cyndi Lauper, the wisdom of Nelson Mandela, the face of Juliette Binoche, the hands of a sculptor, the heart of a benefactor with side-orders of diligence, wit and cunning. Will people of special talent donate their genes to gene banks? If so, what price a touch of Pavarotti's voice box, Magdi Yacoub's hands, Salman Rushdie's verbal felicities, David Helfcott's piano fingers (but please, not the rest of him)?

Stop there. No more of this. It is all fantastical science-fiction nonsense, the stuff of *The X Files* and *Dark Skies*. It is not going to happen. Listen instead to the wise words of Professor Steve Jones, who has just written the introduction to a new edition of Watson and Crick's great work, *The Double Helix*.

Jones has said it time and time again. Genes do not determine these things. Nurture will always dominate nature. To be sure, some gene defects – like cystic fibrosis – are horribly precise indicators of early death. But intelligence, musical talent? Forget it. Even those genes that show a strong disposition to specific conditions such as heart disease are not predictors. If those who know they are in danger eschew a diet of fried Mars bars they will not die of heart disease.

You want to predict life expectancy? Forget genes, just ask why people who live in London SW7 live 11 years longer than people who live in London E8. A mother wants a rich, successful child? Tell her to marry a rich man, the best possible predictor of the child's future social status.

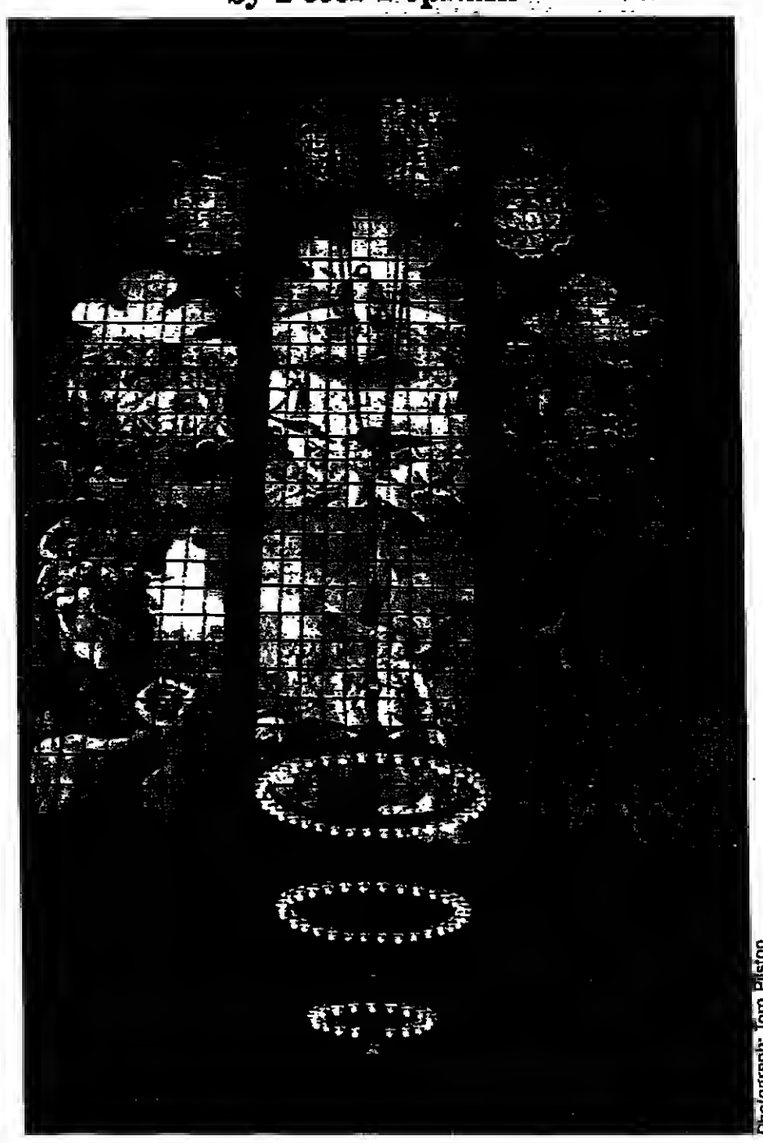
What of intelligence, likely to be people's first genetic choice? It raises the spectre of a genetic super-class ruling over a genetic under-class. But there is no gene for intelligence, so it will not happen. There are a large number of genes responsible – and even then, according to Jones, nurture wins out. "You want a more intelligent population? Easy, double teachers' pay." It would be a lot cheaper and more effective than genetic manipulation. Why did the average IQ of Japanese children rise by 10 per cent over the past 20 years? Have they been polishing up their genes? No, their schools got better.

Steve Jones talks of the intelligence gene with a special venom. He was brought up in the Wirral, where the byelection is now being fought over the future of grammar schools. That system selected out Jones for grammar school and his destiny as a Professor of Genetics, while his brother, whom he regards as equally intelligent, failed the 11-plus, went to a secondary modern and is now an unemployed bricklayer. That's what tinkering with eugenics does to people – and the 11-plus springs from an essentially eugenic view of humanity. Boosting the education of all will yield far better results than trying to select the right few.

Genes are dangerous when ignorantly interpreted. The insurance industry's trade body yesterday gave a good example of crude abuse. Anyone who has had a genetic test and knows their health prognosis will have to tell their insurers – a short step away from demanding tests for all. Some will become genetically uninsurable while the healthiest will be fought over by insurance companies. But this is not the fault of genetics and the law could fix it by demanding equal insurance rights for all, spreading the risk fairly. The tree of knowledge has always frightened us but Eve was right to eat from it. How we use or abuse that knowledge is in our hands.

The resurrection at Magdalen College

by Peter Popham



Photograph: Tom Pilston

Sometimes you can have too much light. For almost 60 years the big west window of the chapel of Magdalen College, Oxford, has been glazed with plain transparent leaded lights, and the lofty vaulted ceiling, the rood screen and the ancient reredos at the east end have been drenched in the cold light of the modern day. The stained glass in the other windows consequently suffered "face light" – light from the front – that obscured them, and the mood of the whole chapel was flattened.

It had not always been this way. Until the late 1930s, a magnificent monochrome stained glass window – a grisaille window – from the 17th century, based on Michelangelo's Last Judgment in the Sistine Chapel, had filled the west wall, and the light in the chapel was mellow and muted, so the ancient wood and the carved stone gleamed with a dull gleam. On entering, as one's eyes adjusted to the sombreness, there was no doubt one was in a place reserved for meditation and prayer.

But then all changed. The threat of war with Germany loomed, and the window was dismantled for safe keeping (ironically it was severely damaged in the process) and put into storage. The man responsible for the window went off to war, and was killed. And in the years of post-war austerity, perhaps that flatness, that mundane light of day, seemed grimly right for the times. Or perhaps people just forgot, or had more pressing things on their minds. Whatever the reason, the plain west window stayed the way it was.

In 1992, however, a member of the college called Stuart Lever became Master of the Worshipful Company of Glaziers and Painters of Glass and decided to mark his year in office by making a start on the restoration of the west window, using the original glass where possible and replacing it where it was not. He chose to restore a small panel above the main window. It looked fine.

There the matter might have rested. But in a place like Magdalen College, with a history stretching back more than 500 years and with alumni who include Tyndale, Gibbon, Joseph Addison, and Oscar Wilde, the present is an endless conversation with the past. In 1994 a film crew arrived at Magdalen for the location shooting for the film *Shadowlands*, starring Anthony Hopkins, the broadly factual account of one of the college's most famous recent fellows, the theologian and writer C S Lewis. One scene for the film was shot in the chapel, and the art director, unhappy with the baldness of the light from the west window, taped a painted impression of the Last Judgment scene over it, to approximate the way it must have looked in the past.

Anthony Smith, the president of the college and a former director of the British Film Institute, was impressed. Memories were jogged, archives consulted. With a handsome anonymous donation from an American member of the college, the project to restore the entire window was under way.

It was the latest twist in a tale of miraculous survival. During the Civil War, in their campaign against what were called "tokens of monarchy and monuments of superstition", Cromwell's troopers dragged all the coloured glass in the chapel windows down from the walls, laid it on the chapel floor and trampled back and forth across it on horseback until it was broken into small pieces.

The Last Judgment window in the west wall had been completed only a few years before, in the 1630s, the work of one Richard Greenbury. But mysteriously, Cromwell's soldiers left it alone. Perhaps the subdued shades were more acceptable to Puritans who could not abide the flashy greens and scarlets elsewhere; or perhaps the Last Judgment theme kept them at a respectful distance. Whatever the reason, the window was left intact and *in situ*. When it was shattered, some 60 years later, it was not religious fanaticism but the Great Storm of 1702 that did it. Ninety years after that the college authorities finally got around to repairing it, and the glass painter they chose to do the job, Francis Eginton, replaced the severe blacks and greys of the original with the warm coffee tones that survive today.

The filming of *Shadowlands* stirred Magdalen with the desire to restore that mellow glory. But where was the glass? One of the down-sides to having a history that goes back half a millennium is that you accumulate a lot of lumber. "We've got a farm outside Oxford full of stuff awaiting restoration, and we found some of the Last Judgment glass there," Anthony Smith recalls. "But when Peter Archer of Chapel Studio, the restorers, looked at it, he said there was a lot missing. So we turned the college upside down looking for the rest of it – we have acres of outhouses – but nothing came to light.

"Finally the college butler, Terry Newport, remembered that his predecessor had told him that his predecessor had told *him* that there was a lot of glass stored in wine boxes in a ventilation tunnel that runs alongside the wine cellars under the New Buildings [constructed in 1735]." When the clerk of works ventured down – he had to crawl 60 or 70 yards – sure enough, there it was. The boxes had rotted away and much of the glass was broken, but the bulk of it was there."

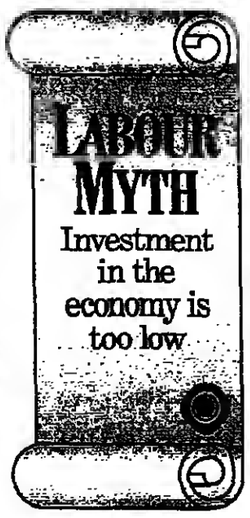
Peter Archer of Chapel Studio, a leading stained glass restorer, then set to work on the jigsaw puzzle, creating new pieces where there were gaps. The technique of grisaille is painting in reverse: first you coat the entire surface uniformly with brown pigment, made from ground glass and metal oxides; then, when dry, you pick it away with brushes and needles to create the image. "We had half a dozen people working on it and it took about nine months," says Peter Archer. "It was particularly difficult because the original was so finely done, exquisitely painted, and we had to replicate that quality."

Their long effort paid off: in the finished window it is impossible to tell the new parts from the old, and the work has become a collaborative effort by great craftsmen that spans four centuries: a work that has triumphed over weather, war and apathy to survive.

Rust Belt romantics

The left's claims about manufacturing industry do not add up

by Diane Coyle



When Michael Heseltine, the Deputy Prime Minister, gate-crashed a business conference organised by a left-wing think-tank recently, he was mocked for describing the assembled captains of industry as a front for the Labour Party. But there was an element of truth in Mr Heseltine's accusation that the businessmen were being misled by out-of-date and selective statistics. For the left's myth that Britain's investment performance has been dismal rests on a confection of evidence that does not stand up to closer scrutiny.

It is an article of faith in the Labour Party that investment is good, and more investment is better, like a reverse version of the beasts' slogan in *Animal Farm* - two legs good, four legs better, six even better still. Even the dimmest of sheep can see that investment is lower in Britain than elsewhere, ergo low investment explains Britain's economic problems.

Will Hutton is a leader of this tendency. In his best-seller, *The State We're In*, he thunders: "What is now required is a national effort to organise a sustained increase in investment ... [but] the indifference to investment and employment are deep-seated."

So fragile is the Government's economic credibility that nobody believes the Deputy Prime Minister when he bleats that, properly measured, investment is not unusually low in the UK. The truth is drowned by the chorus of industrial nostalgia from both Labour and business.

Consider that recent business commission report published under the wings of the Institute for Public Policy Research. It says bluntly: "Under-investment is a major contributor to slow growth. ... Our objective must be to enter a virtuous circle of performance and investment." Gloss over the fact that this was written by some of the people who have it in their power to increase investment in the British economy, such as the chairman of British Aerospace, the chairman of Sainsbury's and the managing director of GEC. These eminent businessmen reckon the economy will reap what it sows, and we are not sowing enough.

The charge stands up only if the statistics are used in the most superficial way. It is clear that the scale of total investment spending, of all kinds, in the UK is lower than in other industrial countries. The UK invests less than a fifth of what it produces, while Japan, at the other extreme, invests nearly a third of the value of its output.

The myth-making starts by ignoring two special factors that account for the UK's low rank. Private sector business investment is about the same, relative to the size of the economy, as in the other big advanced economies. Only Japanese businesses invest a lot more.

However, capital spending by the British government has dived during the past decade and a half, the sacrificial victim on the altar of public spending control. The Private Finance Initiative has not yet proved itself able to fill the gap, and Mr Heseltine must forgive some scepticism about it on the part of his political opponents. On the other hand, the Iron Chancellor in waiting, Gordon Brown, has committed himself to not spending any more, so Labour is on uncertain ground if it wants to claim that it will boost public sector investment to international standards.

The other area of British investment weakness is construction. Surprisingly, the volume of house-building in the UK is less than half that of any other big economy apart from the US. The reason may be that prices for construction are unusually high in this country. This seems to be due to the existence of an extra layer of professionals – quantity surveyors – that does not exist elsewhere. They make putting up new buildings expensive compared to patching up and making do with old ones.

So if British business is actually investing as much as its counterparts abroad, does that mean the Labour Party's emphasis on the investment cure for our economic ills is pure quackery? The last line of defence is the argument that although business investment might look adequate on the surface, manufacturing investment is low. There is a grain of truth in this, with Britain lagging slightly behind countries like France and Germany in the investment share of manufacturing. But to claim this small difference is the basis for all our economic ills is a symptom of pure workerist romanticism.

Britain's manufacturing sector accounts for less than a quarter of the economy, and we have a bigger services sector than most other countries. The only one with a smaller manufacturing base, the US, is the richest nation on earth. Just as agriculture has shrunk as a share of the economy during the past century, manufacturing is following suit.

There are New Labourites who recognise this, and have switched their emphasis to the importance of a highly educated work-force. But rather than ditch the investment myth, they call for investment in human capital rather than the kind that is rusting in Britain's old industrial belt.

Nothing wrong with jam today

Man cannot live by bread alone, but add a scraping of margarine and a dollop of strawberry jam and he will probably live quite happily.

Or at least such was the case with seven-year-old Craig Flatman who survived cheerfully for three years eating nothing but jam butties with no noticeably bad side-effects.

He had eaten thousands of them, but his parents decided that jam tomorrow, jam yesterday and always jam today was bad for their son and took him to Great Ormond Street Hospital. There he was accepted on a six-month programme where he was "cured" of his eating disorder.

Eating disorder? Since when has a passion for bread and jam been bad for you? In reality, as it turns out, Craig's eating habits showed a nutritional maturity far beyond his years.

Tom Sanders, Professor of Nutrition and dietetics at King's College, London, analysed Craig's diet and found that it was providing him with most of what he needs: energy from carbohydrates, proteins, fat-soluble vitamins and essential sugar. And Craig is not alone. A study done in two German orphanages after the Second World War found that those who had lived on bread and butter remained healthy.

But the reason why Craig's story fascinated us all was because we were secretly jealous. As we munched on our limp cabbage and virtuously chewed our way through tofu we desperately wanted to be Craig Flatman – a boy with the courage of his convictions who didn't want to eat anything but jam butties, so he didn't.

There may be no love sincerer than the love of food but surely we've all had enough of the way huge industries bully us into eating the latest fad and fashion. Coriander. Sun-dried tomatoes. Rocket. It's so difficult remembering which one's acceptable at dinner parties and which one's passé. We follow Delia slavishly, panic in late-night supermarkets and end up with a wide range of foods and indigestion.

Well, the fascination with endless pills and potions, exotic fruits and vegetables can now be thrown aside. For those of us who are secret Craig Flatmans, there is hope. All you actually need to eat if you want to remain healthy is a round of Marmite sandwiches and an orange washed down with a glass of milk. It may sound a touch monotonous to the stuffiest gourmet but according to Professor Sanders, it will mean you have all the essential nutrients you need.

Bread provides you with the carbohydrate energy plus vitamin B complex and vitamin E. Margarine supplies the fat-soluble vitamins and particularly vitamins A and D. Marmite is an excellent source of B12 while the orange gives you vitamin C and the milk gives you calcium.

Think what an easy life we will have living on sandwiches. No more agonising over what to serve your mother-in-law. No more endless slaving over a hot stove to produce a soufflé when the damn thing still won't rise. And best of all hardly any washing-up. As Marie Antoinette should have said: Let them eat butties.

Glenda Cooper

Deng Xiaoping

The Achilles' heel of all authoritarian systems – the difficulty of handing over power unless a dynasty is firmly in place – put the fate of China once again in the hands of an enfeebled old man over the last six years. While Deng Xiaoping shrank into senility, power-seeking factions circled hungrily round his throne and the country lacked the firm leadership it needed during a period of chaotic change.

The years of Deng's dotage carried painful memories of the early half of the 1970s when Mao Tse-tung took an interoally long time to die in his pavilion in the Zhongnanhai, the imperial compound alongside Peking's Forbidden City, while his chosen heir and successor, Hua Guofeng, scrabbled for power in competition with Mao's wife and the radical Gang of Four. With Mao dead, the race was eventually won by Deng, the twice-disgraced dark horse.

If history repeats itself, Deng's designated heir, President Jiang Zemin and his faction, which has amassed considerable power in recent years, will form a collective leadership until another strong man emerges from the ruck.

If Jiang does remain in power, it will be a welcome indication that his reforms and measures to institutionalise the power pyramid (as well as placating the military) have matured the system sufficiently to free China from the threat of personality cults and one-man rule. Nevertheless, palace politics are deeply ingrained. Jiang's succession could be challenged by either of his two main lieutenants: Prime Minister Li Peng, a colourless apparatchik who gained strength with other hard-liners in the crackdown which followed the Tiananmen tragedy in 1989 and who, with the ageing "Soviet faction", have always deprecated Dengist revisionism, and Zhu Rongji, a technocrat who tries to identify himself with reforms, modernisation and China's recent economic progress. Neither can the army's intervention be discounted. Last year's threatening manoeuvres as Taiwan prepared to go to the polls revealed its readiness to play the nationalistic card in shaping policies.

Had Deng died in early 1989, most historians would have praised him as the pragmatic liberal who steered China back to a commonsense middle course after three decades of disastrous excesses. While his apologists can claim that his abandonment of a command economy put China, however belatedly, on the road to prosperity, the loss of so many state controls has complicated the task of his protégés in dealing with problems caused by the growth he triggered: an overburdened infrastructure, an overheated economy, inflation and an outflow of capital, plus a massive growth of corruption and criminal gangs.

Deng will also be remembered as the man who imposed martial law on China in May 1989, who gave his blessing to the troops who shot down the dissidents in and around Tiananmen Square and who subsequently ordained the imprisonment, purge and exiling of his critics. As a moderniser, he was willing to open up China to inflows of foreign technology, management techniques and investment, but not to the accompanying winds of change and flows of ideas. He was thus the architect of "market Marxism" but in the final analysis he had only Stalinist answers to the very forces his policies had reinvigorated. His refusal to contemplate political liberalisation has placed his ghost among those of dozens of East Asian dictators who have clung on to power at any cost.

During the 1980s "Mr Pragmatism" was the pin-up boy of Hong Kong and others who wished China and its future well, and his anti-dogma aphorisms "Learn truth from facts" and "It does not matter whether the cat is black or white as long as it catches mice" were widely quoted with enthusiasm. Nevertheless, the 1989 crackdown should not have come as a surprise: Deng's career was remarkable not only for an elastic capacity to survive but a ruthless readiness to take any steps to ensure that survival.

The son of an educated minor landowner in the Western province of Sichuan, Deng sailed for France at the age of 16 as a worker-student. There, between 1920 and 1926 (his years in France overlapping with those of Chou En-lai), he imbibed Marxism and became a professional revolutionary. He received training in the arts of the underground during 11 months in Moscow on his way home, where he immediately plunged into secret Communist Party work, chiefly among the workers of Shanghai.

By 1930 he had joined Mao Tse-tung's army fighting the Kuomintang in Guangxi province, later taking part in the heroic Long March in which Mao's forces escaped from the encircling Kuomintang armies to traverse much of China in 1934 and 1935, before establishing a stronghold in the north-west province of Yanan. Deng's military service was recognised after the defeat of Japan when he became a member of the party's Central Committee, and he played an important role in the campaigns which finally ejected the Kuomintang to Taiwan and established the People's Republic in 1949.

Deng, always a practical man, had proved an energetic and capable implementer of Mao's orders. After serving as his political and economic commissar responsible for south-west China, Deng moved swiftly up the Party and government hierarchies, becoming Secretary General of the Central Committee and Minister of Finance in 1953, Vice-Chairman of the National Defence Council and Vice-Premier in 1954 and a Politburo member in 1955.

In the following year he went with China's delegation to the 20th Congress of the Soviet Communist Party, where he was affronted by Nikita Khrushchev's denunciation of Stalin. A frequent visitor to Moscow, he played a leading role as polemicist in the developing Sino-Soviet dispute which led to an open breach in 1960. Thereafter Deng was responsible for the most bitter attacks on Moscow's desire that the socialist world should avoid a nuclear showdown with the West, pushing the Maoist theory that the revolutionary forces of the Third World were in effect peasant armies surrounding the bourgeois "cities" of the industrialised nations. The future pragmatist who was to be dismissed by Mao as "knowing nothing of Marxism-Leninism", had proved himself a radical ideologue as well as a capable revolutionary, a commissar and soldier.

Nevertheless, as Mao's Cultural Revolution began to get rolling on its chaotic and destructive course, Deng distanced himself from the Chairman's worst excesses. The main target of the Red Guards' virulence was the head of state, Liu Shaoqi, but Deng (who with Liu had been running the economy) was denounced as the "No 2 Capitalist Roader". The Red Guards permanently crippled one of his sons by throwing him out of a window, but Deng himself made a grovelling self-criticism (showing the talents for survival which always served him well) and, thanks largely to the intervention of the prime minister, Chou En-lai (his former companion in France), called in debts of friendship from the military and with the rest of his family sat out the years of violence with his stepmother and his third wife in the southern province of Jiangxi. Liu died miserably on the floor of a prison cell.

It was not until 1973, as Chou En-lai was repairing the damage done to China's economy and its interoational relations, that Deng returned to public life, as Vice-Premier and Vice-Chairman of the Party – a rehabilitation which infuriated the ailing Mao's wife and the Gang of Four. Chou died in January 1976 and Deng's obvious qualifications for the premiership were ignored. Public disturbances which broke out in April 1976 by crowds resentful of deliberate insults to the memory of the popular Chou gave the leftists their chance. Once again Deng was dismissed from all his posts under a barrage of radical propaganda accusing him of attempting to push Party policies to the right.

Mao's death in September and the arrest and imprisonment of his widow and the Gang of Four cleared the way for another comeback in 1977 when Deng became Chief of Staff of the Armed Forces, Vice-Chairman of the Party and Vice-Premier. From these positions Deng launched a series of wide-ranging reforms, beginning with the countryside. Massive decentralisation swept away the communes set up during Mao's disastrous Great Leap Forward in the late 1950s: allowing peasants to grow and harvest the crops of their choice. As the peasants' incomes rose, Deng broadened his political base, eroding that of the colourless Hua Guofeng, who was eventually removed from power in 1981.

Deng had encouraged intellectual debate. Peking's Democracy Wall, on which dissidents wrote long complaints about the Party and the bureaucracy, was one of his chief weapons against Hua. Once Hua was defeated, however, criticism was stilled and the wall was closed down. Deng's main aim was economic growth, but first he had to impose the political stability on which he could build. He ended China's role as an exporter of revolution and people's wars, his numerous foreign visits convincing him that China had to make up for the lost years of Mao and catch up with its increasingly prosperous neighbours.

His two main viceroys were the party secretary, General Hu Yaobang, who played a double public-relations role as "Mr Interoationalism" abroad and "Mr Bourgeois Liberalism" at home, while the economy was in the hands of a fellow Sichuanese, the prime minister Zhao Ziyang. This pair became the target of the hard-liners and old Marxists who were unwilling to defy Deng himself but who deeply suspected his downgrading of ideology in favour of getting results accompanied by vague assurances of "socialism with Chinese characteristics". Hu came under fire in 1987 after an outbreak of student demonstrations, and meekly resigned. Later that year at the 13th Party congress, Deng required another scapegoat and Zhao gave up his premiership to the hard-liner Li Peng. Dogmas and principles were easily sacrificed by the great pragmatic revivalist; so were friends and close allies.

The same Congress brought some compensation, in the form of a resolution providing Deng with retrospective ideological justification; it ordained that China was only at "a preliminary stage of socialism", thus conferring the Party's imprimatur for non-collective farming, private enterprise, material incentives, profits, privatisation and even for stock exchanges and golf courses.

One of Deng's main achievements during these years was to retain the loyalty of the military. Deng's "Four Modernisations" programme was aimed at agriculture, industry, technology and defence – in very much that order. The People's Liberation Army was still facing 50 well-equipped Soviet divisions across a long border, and had forfeited much status since the days when it was the proud standard-bearer of Mao Tse-tungism. Deng, who had divested himself of all party and government posts except the chairmanship of the Military Commission, managed to keep his generals sweet, while at the same time eroding them as a force in the political equation. But his successful manoeuvring was defeated in the end when he had to summon them back to central power.

Ironically, the disgraced Hu Yaobang was to have his revenge by dying in April 1989. A huge crowd gathered in Peking to mourn a man who had become a symbol of public anger against party arrogance, bureaucratic inefficiency and high-level corruption. At the time, intellectuals were preparing to celebrate on 4 May the 70th anniversary of the great 1919 scholar/student revolt against dictatorship and corruption. In this emotional atmosphere, Deng made two gross errors, by agreeing that on 4 May Peking should host the annual meeting of the Asian Development Bank and that Mikhail Gorbachev should arrive for the first Sino-Soviet summit talks since the 1960 split. The ensuing tragedy of Tiananmen was to play itself out in front of an interoational audience and force Deng's hand.

Parenthetically, the massive demonstrations in Hong Kong supporting the Tiananmen demonstrators triggered fears in Peking about the possible political impact of the re-absorption of the free-booting city into the Chinese body politic – fears which caused China to break its promises of an elected Hong Kong legislature and to adumbrate other measures to restrict freedoms and human rights there. Death has prevented Deng from realising his ambition of going to Hong Kong to witness the hand-over.

After the killings, Deng thanked the soldiers who had saved his skin, brought more generals and hardliners into top posts and finally sacked his economic overlord, Zhao Ziyang (who had expressed sympathy with the demonstrators). His Open Door policies had imported destabilising ideas as well as money and expertise, and he spent the remaining years of his life trying to embargo the former while maximising the latter in the cause of economic growth.

Perhaps because his underlings were busily manoeuvring to succeed him, perhaps because he was no longer capable of exercising hands-on control, the grip of government loosened and the long-suppressed entrepreneurial talents of the Chinese began to blossom in the relaxed atmosphere. Bereft of any titles or constitutional authority, Deng was still the strong man, the patriarch whose wishes were law by virtue of his Long March provenance, his extreme old age and his undeniable right to the throne.

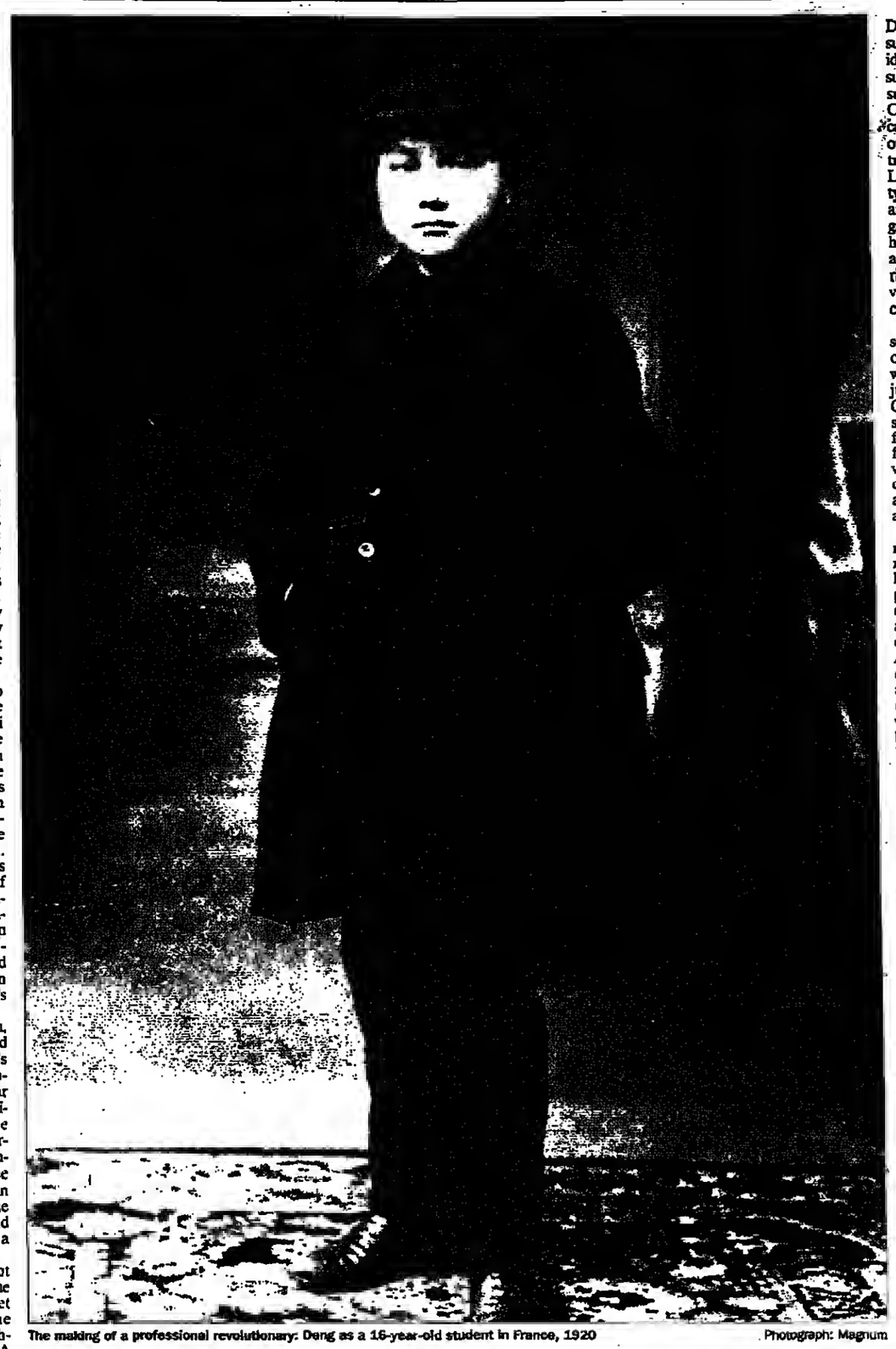
Foreign capital from Hong Kong, Taiwan, Japan and elsewhere triggered double-digit growth in coastal cities and southern provinces, which became the world's fastest-growing region. Nevertheless, the weakening of central controls has left Deng's successors with huge problems: an overheated economy, over-strained infrastructure and unequal development which has fanned resentment in the provinces which have not shared in the growing prosperity, experiencing only falling agricultural prices, over-taxation and the demands of increasingly corrupt party cadres.

His successors will also have to face the problems which the inevitable death of Chinese Marxism will bring and which Deng put off in his determination both to cling on to power and to save China from the chaos reigning in Russia and the rest of the formerly socialist world. He provided his country with a transitional breathing space between the megalomaniac years of Mao and the future, which will see the eventual opening of China and the collapse of party authority.

By living so long and presiding over the belated but undisciplined release of China's pent-up entrepreneurial energies, Deng has probably condemned China to one of two tragic courses: a harsh reimposition of controls, either by the party or an emergent strong man, or the very chaos he, like all Chinese, feared most. Either way, in the longer term, the energies Deng released will inevitably re-assert themselves, in the form of both economic and political activity.

Derek Davies

Deng Xiaoping, politician: born Guangan, Sichuan, China 22 August 1904; Political Commissar, 2nd Field Army, People's Liberation Army 1948-54, Chief of General Staff 1975-76, 1977-80; First Secretary, East China Bureau, Chinese Communist Party (CCP) 1949-54, Secretary-General, Central Committee, CCP 1953-56; member, Politburo 1955-67, 1974-76, 1977-87; Secretary of Central Committee 1956-67; Vice-Chairman, Military Affairs Committee 1975-76; Vice-Chairman, Standing Committee 1977-87; Chairman, National Committee 1978-87; Chairman, Military Commission 1981-89; Chairman, Central Advisory Commission 1982-87; Minister of Finance, People's Republic of China 1953-54; Vice-Premier, State Council 1954; Vice-Chairman, National Defence Council 1954-67; Vice-Premier, State Council 1975-76, 1977-80; married 1928 Zhang-Qianyuan (deceased), 1932 Jin-Weiying (marriage dissolved), 1939 Pu Zhuolin (two sons, three daughters); died Peking 19 February 1997.



The making of a professional revolutionary: Deng as a 16-year-old student in France, 1920 Photograph: Magnum

Births, Marriages & Deaths

BIRTHS

O'CONNOR: On 14 February to Sharon (née Kelly) and Miles, a beautiful daughter, Elizabeth Grace.

DEATHS

ORIVER: Christopher Prout, writer, *Guardian* journalist, gourmet and music lover, died peacefully at home on 18 February after a long struggle with a brain tumour. Private cremation followed by service of thanksgiving on Tuesday 25 February, 3pm, at the United Reformed Church, Pond Square Chapel, Highgate No. All welcome. No flowers. Donations to Marie Curie Cancer Care, c/o Loverton & Sons Ltd, 1 Denmark Terrace, London N2, 0181-444 5753.

HAMBLYN: Eric Lionel, aged 66, of Rye, East Sussex. After a short illness, 18 February 1997. Donations to RNLI.

Announcements for Gazette BIRTHS, MARRIAGES & DEATHS should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 5DL, telephoned to 0171-293 2011 or faxed to 0171-293 2010, and are charged at £6.50 a line (VAT extra).

ROYAL ENGAGEMENTS

The Princess Royal visits HMS St Vincent, Old Admiralty Building, Spring Garden, London SW1.

Changing of the Guard

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 11am. F Company Scots Guards mounts the Queen's Guard, at Buckingham Palace, 11.30am, band provided by the Coldstream Guards.

Birthdays

Mr Robert Altman, film director, 72; Mr Roy Beggs MP, 61; Mr Gordon Brown MP, 46; Professor Andrew Fabian, astronomer, 49; Dr Ruth Gipps, composer and conductor, 76; Mr Jimmy Greaves, television commentator and ex-footballer, 57; Mr Eddie Hemmings, cricketer, 48; Mr Ian Irwin, executive chairman, Scottish Transport Group, 64; Commandant Dame Marion Kettlewell, former Director, WRNS, 83; Mr Roger Knapman MP, 53; Mr Mike Leigh, playwright and theatre director, 54; Professor Donald Longmore, cardiac surgeon, 69; Lord McNally, head of Public Affairs, Shandwick Consultants, 54; Mr Norman Miscampbell QC, a Recorder of the Crown Court and former MP, 72; Mr John Murphy, chairman, Interbrand Group plc, 53; Mr Phil Neal, former England footballer, 46; Mr David O'Dowd, HM Inspector of Constabulary, 55; Sir Frederick Page, former chief executive, British Aerospace, 80; Dr Valerie Payne, former Headmistress, Malvern Girls' College, 57; Mr Sidney Poitier, film actor, 70; Vice-Admiral Sir Cameron Rusby, former chief executive, Scottish SPCA, 71; Mr William Walker MP, 68; Mr George Waring, actor and director, 70; Mr Barry Wordsworth, conductor, 49.

Anniversaries

Births: Honoré Daumier, caricaturist and painter, 1808; Henri Vieuxtemps, violinist and composer, 1820; Mihaly von Munkacsy (Michael Lieb), painter, 1844; Charles Vincent Massey, statesman and diplomat, 1887; Georges Bernanos, novelist, 1888; Dame Marie Rambert (Cyvia Rambam, later Miriam Ramberg), founder of the Ballet Rambert, 1888; Carl Mayer, film director, 1892; Ansel Easton Adams, photographer, 1902; Alexei Nikolayevich Kosygin, Russian leader, 1904. **Deaths:** Pope Martin V, 1431; James I, King of Scotland, assassinated, 1437; Luca della Robbia, sculptor, 1482; Gentile Bellini, painter, 1507; Nathan Field, actor and playwright, buried 1633; Aurungzebe, last Mogul emperor of India, 1707; Joseph II, Holy Roman Emperor, 1790; Andreas Hofer, Tyrolean patriot, executed, 1810; Joseph Hume, physician and social reformer, 1855; Augustin-Eugène Scribe, playwright, 1861; Robert Edwin Peary, Arctic explorer, 1920; Oswald Theodore Avery, bacteriologist, 1955; Laurence Housman, playwright, novelist and illustrator, 1959; Sir Charles Leonard Woolley, archaeologist, 1960; Percy Aldridge Grainger, composer, 1961; Chester William Nimitz, admiral, 1966; Mikhail Aleksandrovich Sholokhov, author, 1984; Robert Oxton Bolt, playwright and screenwriter, 1995. **On this day:** Kandy, Ceylon (now Sri Lanka), was captured by the British, 1803; Austria declared herself to be bankrupt, 1811; the French defeated the Spanish at the Battle of Saragossa, 1809; a great storm raged in England, with much damage to the Crystal Palace, while the steeple of Chichester Cathedral was blown away, 1861; the Panama-Pacific International Exposition opened in San Francisco, 1915; the Netherlands West Indies were purchased by the US, 1917; Anthony Eden resigned as British Foreign Secretary, 1938; the first London production of the musical *Where's Charley?* took place, 1958; John Glenn, astronaut, was launched into space in the Mercury capsule *Friendship 7*, 1962; new-design £10 notes were issued, showing a portrait of Florence Nightingale, 1975; poisonous fumes from a volcano in Java resulted in 175 deaths, 1979. **Today** is the Feast Day of St Eleutherius of Tournai, St Eucherius of Orleans, St Sadoth, Saints Tyrannio, Zenobius and their Companions and St Wulfric.

Lectures

Victoria and Albert Museum: Alex Buck, "New Forms in Design: art nouveau", 2.30pm.

Tate Gallery: Stuart Morgan, "The Work of John Coplans: evidence and rhetoric", 6.30pm.

British Museum: Richard Green, "The Greeks on the Body Beautiful: phalloi, fatness and fun", 1.15pm

National Portrait Gallery: Alfred Bradley and Susan Morris, "Ignatius Sancho and Laurence Sterne", 1.10pm

Gresham College, Barnard's Inn Hall, London EC1: Professor Susan Greenfield, "Exploring the Brain. Memory", 1pm

Royal Society: Professor Peter Biggs, "Marek's Disease: tumours and prevention", 5.30pm.

Dinners

Foreign & Commonwealth Office Mr Malcolm Rifkind QC MP, Secretary of State for Foreign and Commonwealth Affairs, held a dinner yesterday at 1 Carlton Gardens, London SW1, in honour of Mrs Madeleine Albright, Secretary of State of the United States of America.

Court will grant leave to enforce costs order

LAW REPORT

20 February 1997

Wraith v Wraith; Court of Appeal (Lady Justice Butler-Sloss, Lord Justice Peter Gibson, Lord Justice Potter) 15 February 1997

Where an order for costs not to be enforced without the leave of the courts (known as a "football pools" order) was obtained as against a legally aided litigant and that litigant, as a result of suing his solicitors for negligence in their conduct of the case, subsequently obtained an insurer's indemnity against any costs he might be required to pay in the original action, it would thereafter be proper for the court to grant an application by the successful party for leave to enforce the costs order against him on the ground that his circumstances had changed.

The Court of Appeal allowed the defendants' appeal against the decision of Judge Cooke, sitting as a deputy High Court judge on 15 April 1996, who dismissed their summons for leave to enforce an order for costs against the plaintiff, under regulation 130 of the Civil Legal Aid (General) Regulations 1989 (SI 339), on the ground of a change in his circumstances.

The action arose out of a partnership dispute between two brothers in relation to a family farm in the north-east of England. The plaintiff claimed he was a partner with the defendants. They denied it and the plaintiff, who had legal aid, began proceedings on 22 July 1982.

On 28 August 1991 the action was struck out for want of prosecution. Costs were awarded to the defendants, who were not legally aided. But since the plaintiff was legally aided, the district judge directed that the order for costs be not enforced without further leave of the court.

The plaintiff sued his solicitors for negligence and settled that action on payment to him of £60,000 with costs. He was also indemnified by the Solicitors Indemnity Fund against any costs he might incur should the defendants in the partnership action obtain leave to enforce their costs order.

The defendants' costs in the partnership action were taxed in the sum of £27,864.62 and they sought leave to enforce them on the ground that, because of the indemnity obtained in his action against his solicitors, the plaintiff's circumstances had changed.

Ian Karsten QC (Hague & Dixon, York) for the defendants; Nicholas Davidson QC (Wansbroughs Willey & Hargrave, Leeds) for the plaintiff.

Lady Justice Butler-Sloss said the judge made a typical order for costs not to be enforced without leave of the court. Its effect was to suspend the plaintiff's obligation to payment indefinitely. On an application by the defendant under reg 130 the court might make such order as it thought fit. The court had a wide discretion as to the order that might be made, ranging from refusing any variation to giving the defendant leave to enforce the order in whole or in part.

What were the relevant considerations? The order was originally termed a "football pools" order, a term no doubt coined on the assumption that many legally aided litigants who lost had only a remote prospect of ever achieving a financial situation sufficient to meet the costs of their unsuccessful litigation.

If, however, they did, there seemed no good reason of principle or common sense why they should be treated differently from a formerly impecunious litigant who won a football pool. Nor was there any good reason to exclude from the list of contingencies the settlement of an action (whether or not connected with the litigation in which the costs order was made). Finally, where that settlement carried with it the right to an indemnity against payment of costs under the very order the subject of the other party's application, the case for variation was likely to be overwhelming.

Their Lordships would reject entirely the notion that to make an order for payment in such a case was to grant a windfall to the party whom *ex hypothesi* the court had earlier decided was entitled to payment of those costs.

It would always be a matter for the judge on the facts of each case before him to consider whether the suspended order should be met in full or in part.

Paul Magrath, Barrister

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business & city

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BUSINESS & CITY EDITOR: JEREMY WARNER

Exposed: Who gets what from Eversholt's great gravy train

Chris Godsmark and Peter Rodgers

The storm over rail privatisation intensified yesterday when it was confirmed that four directors of the rail leasing company Eversholt, along with senior venture capitalists, were to share a £50m cash bonanza from the group's sale to the HSBC banking giant.

In addition, a wide range of investors including the Metropolitan Museum of Art in New York, an investment account run by Wolverhampton Borough Council, and the California, Utah and Massachusetts Institute of Tehcnology pension funds will share indirectly in the bonanza.

Top of the list of personal windfalls was Andrew Jukes, Eversholt's managing director who invested £110,000 in the buyout, and will receive a total of £16.5m in cash, of which £6m goes to a trust fund set up for his three children.

Senior executives of two venture capital firms, Candover and Electra Fleming, will share up to £6.7m of immediate profit for a personal investment totalling less than £45,000, and further gains – running into millions – in future years.

Eversholt was sold to its management last February for £580m, but just a year later it has been bought by HSBC for £726.5m, an increase of £146.5m over the sale price. After a change in the financial structure, the actual gain was £386m for the shareholders, who put up a tiny £2.5m for the ordinary shares just over a year ago.

The move follows the huge public outcry over the sale of Porterbrook Leasing, another rolling stock company, to Stagecoach last year for £825m. The Porterbrook affair resulted in profits of £300m and netted £36m personally for its managing director, Sandy Anderson.

The individual windfalls in the Eversholt sale are slightly smaller, but still represent a 15,000 per cent increase on the price paid in the management buyout last February. The £726.5m paid by HSBC includes the repayment of £273m of debts and a further £67.4m to pay off preference shares held by venture capital funds.

One senior director of Eversholt has lost out on the cash bonanza, however. Hugh Griffiths, the former commercial director, is believed to have left Eversholt following a dispute with other directors, just before privatisation last year, and never held shares in the company. An Eversholt source said: "His face just didn't fit in the job."

Mr Jukes fiercely defended his windfall, insisting he had taken a substantial personal risk in the venture. "The picture in 1995 was of pessimism and cynicism about the whole process. Experts predicted that it would not run smoothly. We went against the grain at the time and took the risk. It's paid off."

Last night it emerged that Colin Hatgood, finance director, is to depart in the next two or three months, pocketing £12.1m based on his last documented £80,000 stake.

Peter Harper, Eversholt's chairman, has also resigned from the group with immediate effect. A former senior Hanson executive, his one-year stay at Eversholt has netted him £2.99m from a stake of less than £20,000.

Of the profit made by venture capitalists, up to £5.5m was made by Electra Fleming's management team, chaired by Michael Stoddart. Their stake is believed to comprise a large part of the 36,665 Eversholt shares held by a company called EF Nominees Ltd. Electra Fleming is the management company of Electra Investment Trust, which has the former defence secretary Tom King on the board.

A further £1.2m was made by Candover's management, which is chaired by Roger Brooke, with Stephen Curran as chief executive and Gavin Fairservice his deputy. Of the £1.2m, £375,000 was made by Colin Buffin and Robert Clark, who are on the Eversholt board.

The Candover and Electra Fleming venture capital teams teams stand to gain millions more in future years from a share in the £200m profits made from the deal by partnerships their firms manage on behalf of other investors. Candover was the lead investor in setting up the Eversholt buyout from British Rail.

Executives including Mr Stoddart are entitled to a 10 per cent share in the profits made by Electra Private Equity Partners, which made £104m profit on a £696,000 investment. The executive profits kick in above above an unspecified threshold level of return.

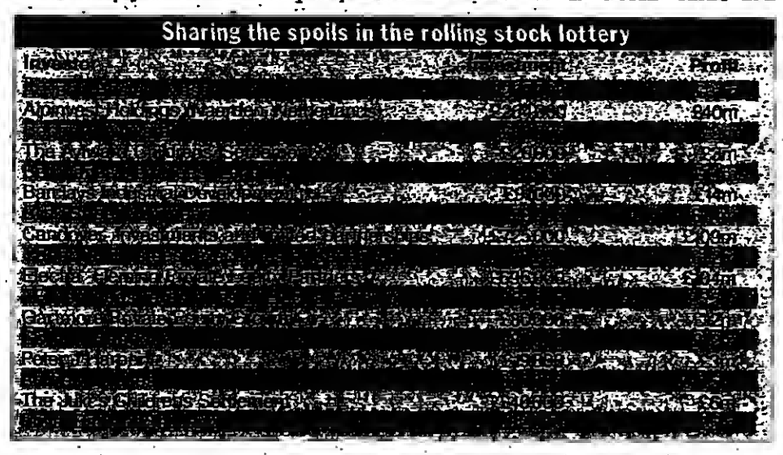
Candover has a similar arrangement for its executives, who share in the profit – above a threshold rate of return of 10 per cent – made by private limited partnerships managed by the company. In 1995, executives shared £18m in profits from the investments of a 1989 Candover fund. It is through these partnerships that many other other investors including the Metropolitan and Wolverhampton share in the profits.

HSBC's leasing arm, Forward Trust Group, argued yesterday that it had paid a "fair market price" for Eversholt. Asked why it had not made a bid during the original privatisation last year, Graham Picken, chief executive, said: "At that stage privatisation was very much in its infancy. The situation has now changed enormously."

Forward Trust will take over Eversholt's fleet of 4,000 electric locomotives and commuter trainsets, giving it the largest fleet of the three rolling stock leasing companies. Mr Picken said he wanted to increase investment in the company and expand staff numbers from the 66 currently employed as a precursor to bidding "aggressively" for an estimated £1.5bn of new orders planned over the coming years by the 25 privatised train operating companies.

Additional research by Patrick Masters.

Comment, page 21



First-class return: Andrew Jukes, who invested £110,000 in the buyout and will receive £16.5m in cash

FirstBus in £54m takeover of London bus group

Magnus Grimond

Some 2,000 employees in CentreWest, a London and Home Counties bus group, will share in a £7m windfall after the group agreed a £54m takeover deal with FirstBus, the rapidly expanding bus and railways group. The acquisition will also net around £9.7m for four CentreWest directors, led by Peter Hendy, the managing director.

The payments, all to be made in FirstBus shares, represent a rapid return for the management team, which headed the £25.6m buy-out of the business when it was privatised in September 1994. The four put up around £250,000 and will now share in 51 per cent of the £19m being paid by FirstBus for the equity capital.

But Mr Hendy said last night the business then was not comparable to the group as it is today, which as well as the original bus services in west, central and south-east London, acquired the Berks Bucks Bus Company for £7.65m last year and is a member of the consortium which won the bid for the £200m Croydon tram project, where CentreWest is to be the operator. Profits, which were £5.86m on turnover of £44m in the year to March, have nearly tripled since privatisation. Pro forma sales, including acquisitions, is currently running at around £60m.

Mr Hendy said he could not determine the individual payouts for staff until various issues were cleared up with the employee trust which holds the shares. Any share payments will effectively be gifts, as staff paid nothing for their holdings. "One of the things I always wanted [at the time of the buy-out] was that the employees should get equity regardless of whether they had money or not."

He described himself as "one of the few people in the bus industry who have done it to stay in it". He added that one of the conditions of a sale was that it had to be to someone who wanted to keep on running the business.

Shares in FirstBus gained 5.5p to 240p yesterday, despite a statement from the Office of Fair Trading that it was considering whether to refer the bid to the Monopolies and Mergers Commission.

Sorrell comes closer to scooping £30m pay bonanza

Tom Stevenson
City Editor

Martin Sorrell looks increasingly likely to scoop a maximum payout of more than £30m from a controversial remuneration package that was sold to shareholders as almost impossible to achieve 18 months ago.

While his quest to secure Britain's largest executive pay package received a setback yesterday as shares in WPP were hit by disappointment that full-year results were not accompanied by a share buy-back, strong profits growth last year mean Mr Sorrell is almost certain to clear all obstacles to his unprecedented pay bonanza.

The advertising and PR group's shares fell yesterday from 267p to 253p, below one of four trigger points for the issue of free shares worth more than £14m. Mr Sorrell has already passed one milestone, at 198p a share, and is about to secure another 1.17 million shares, worth £3m, because WPP's shares will soon have been above 230p for 60 consecutive working days.

To secure the maximum share handout he must navigate WPP's shares above 265p and then 304p for the same 60-day qualifying period before September 1999. With the advertising market growing strongly and WPP's shares trading on a relatively undemanding rating by industry standards, he looks certain to clear the hurdles.

The market had braced itself for a share buy-back yesterday and was disappointed that WPP only said it was putting aside £25m for returning to shareholders "when market conditions are appropriate". Mr Sorrell did say, however, that strong cashflow would mean the Ogilvy & Mather to J Walter Thompson media combine would be debt free within two years.

That would represent a considerable achievement for a company that came close to going under in the early 1990s, swamped by a mountain of debts incurred during a heavy spending spree in the boom conditions of the late 1980s. Only a series of financial restructurings allowed WPP to start the long haul back to recovery.

Yesterday's figures for the year to December 1996 confirmed the continuation of that recovery. Pre-tax profits of £153.3m compared with £113.7m in 1995 and less than £8m in 1992. Earnings per share rose 46 per cent to 13.3p, above consensus expectations and the final dividend increased 32 per cent to 1.144p.

Mr Sorrell said operating margins, which increased during the year from 9.6 to 10.8 per cent, would continue rising at more than 1 per cent a year.

He said there was no reason why WPP should not match its best performing rivals such as Omnicom and Interpublic, whose best-performing divisions generated a return on sales of up to 17 per cent.

Investment column, page 22

McNeil tipped to move to Schroders

Jill Treanor
Banking Correspondent

There is strong speculation in the City that Schroders is close to hiring yet another senior executive from arch-rival NatWest Markets, the investment banking subsidiary of National Westminster Bank.

Attempts to confirm the speculation were met by a wall of silence from Schroders and NatWest Markets, which only served to strengthen the rumours in City circles.

NatWest lost a handful of key personnel to the family-controlled Schroders merchant bank last year, and sources said yesterday Schroders' ranks would soon be swelled by the recruitment of John McNeil.

Mr McNeil is the highly paid head of equity primary markets at NatWest Markets and, according to sources, is believed to have been offered an equally senior and well-remunerated position in Schroders' rapidly expanding securities operation.

If he does join Schroders he will be following a well-trodden path to the merchant bank's headquarters in London's Cheapside. The first person to embark on the path from NatWest to Schroders last year was Philip Augar, head of global equities and fixed-income sales. He runs Schroders' securities operation in London.

Mr Augar, who is on holiday and unavailable to comment on the rumoured recruitment of Mr McNeil, last year hired former colleagues Richard Wyatt and Patrick Wallington, who were head of equities and equities research respectively at NatWest Markets.

Schroders has also recruited staff from other rivals, including Merrill Lynch and Goldman Sachs, from which it hired Paul Walton, equity strategist.

"Schroders have been taking from everywhere," one source said last night. "There are some good people in there now," another said.

NatWest Markets replaced Mr Augar by hiring Tom Whelan from Morgan Stanley.

Sainsbury opens bank with high rate for savers

Nigel Cope

The prospect of a price war on savings accounts moved a step closer yesterday when Sainsbury launched its banking operation with a range of accounts and credit cards with highly competitive interest rates.

With an instant access account offering interest of 5.75 per cent on balances as low as a pound, analysts said Sainsbury's move could force high street banks and building societies to offer better rates. Rates on similar accounts offered by rivals such as Halifax and Barclays are as low as 0.5-0.75 per cent.

Neil Baker, banking analyst at Dresdner Kleinwort Benson, said: "There is potential for a deposit price war and the supermarket moves are just another step towards it. To win business you've got to be offering 5 per cent."

Building societies which have retained their mutual status are trying to poach customers by offering better rates than rivals which are converting to banks. The price battle is expected to escalate after the lock-in effect of the Halifax and Woolwich conversions lapses.

Midland Bank admitted the deals offered by supermarkets would increase competition but said: "We try to give customers what they want rather than compete with new entrants."

Though Tesco and Safeway have already launched deposit accounts, Sainsbury's Bank represents the most significant move by a supermarket into financial services.

The instant savings account is a 24-hour telephone banking operation which offers a cash-card that can be used in 10,000 Link machines. There is also a Christmas Saver account for customers who want to put away a regular monthly sum.

The accounts do not come with cheque books or facilities for overdrafts, direct debits or standing orders. However, Sainsbury hopes to launch a full current account service in the next few months.

Sainsbury has also launched a standard Classic and a Gold credit card with competitive interest rates of 18.5 per cent and 14.7 per cent respectively. Purchases attract points on Sainsbury's Reward card.

Customers who transfer their outstanding balances from their credit cards to Sainsbury's Bank will receive up to £60 or 6,000 Reward points.

Sainsbury's marketing director, Kevin McCarten, said: "We believe we have a clear lead on this. The interest rates are dynamite and it is because we do not have the high costs of a branch network that we are able to offer these terms."

He promised more products would be offered during the year, including personal loans, mortgages and insurance.

Sainsbury's Bank, which is operated in conjunction with Bank of Scotland, opened for business yesterday in 244 stores. It is being launched in Scotland, northern England and the Midlands but will be rolled out nationally over the next few months.

Nomadic savers, page 21

Interest rates on instant access accounts

	£1	£500	£1,000	£5,000	£10,000
[illegible]	5.25%	5.75%	5.75%	5.75%	5.75%
Tesco	5.50%	5.50%	5.50%	5.50%	5.50%
[illegible]	[illegible]	1.00%	1.00%	1.00%	1.00%
[illegible]	0.75%	2.30%	2.30%	3.00%	3.15%
[illegible]	2.40%	2.74%	2.74%	3.23%	3.23%
Halifax	0.50%	2.45%	2.45%	2.95%	3.25%
[illegible]	[illegible]	3.25%	3.25%	3.75%	3.75%
Portman Building Society	4.7%	4.7%	4.7%	4.7%	4.7%
[illegible]	0	0	0%	0%	0%
Alliance and Leicester	0	0	0	5.55%	6.05%

All figures are gross rates. Source: Money Facts

Sales pick up on high street in January

Diane Coyle
Economics Editor

January brought a healthy rebound in high street sales after a disappointing Christmas dip, according to official figures yesterday. The stronger-than-expected rise added more fuel to the interest rate debate.

Minutes of last month's monetary meeting, also published yesterday, showed the Governor of the Bank of England still taking a tough line in calling for a half-point increase in the cost of borrowing. He has since indicated that the would now favour a smaller rise. But back in mid-January, Mr George said the Bank still thought it likely base rates would need to rise by half a percentage point "fairly soon". He said there was a case for making the full move straight away.

Kenneth Clarke turned down the advice, mainly on the grounds of the strong pound. According to the minutes: "The Chancellor said he did not believe that enough account had been taken of the strength of the exchange rate."

The sterling index closed 0.8 points higher at 97.6 yesterday, compared to 96.4 on the date of the January monetary meeting.

The minutes also report Mr Clarke saying that official figures exaggerated the fall in unemployment, with the smaller drop recorded in the quarterly Labour Force Survey a better guide to what was happening. Some economists found this brazen in the light of the fact that the Chancellor recently decided against switching to a monthly Labour Force Survey.

The Chancellor repeated his views yesterday, saying the latest retail sales figures did not change his judgement. He said: "If you look at the overall picture of the economy, we have good steady growth and a level of base rates which is going to keep us on target for inflation of 2.5 per cent or less."

Yesterday's figures showed the underlying volume of high street sales neither accelerating nor slowing down.

The year-on-year increase of 4.6 per cent in January was the highest since a record jump of 4.9 per cent in the year to March 1989. But the annual change in the three months to January, a better guide to the trend, was 3.9 per cent. Sales volumes increased by 0.6 per cent during the month, more than City analysts had expected.

The biggest rises in January were in clothing and footwear and household goods. Household goods and sales volumes at department stores were the strongest in year-on-year terms.

Some City experts took comfort from the fact that shoppers needed the inducement of low prices. "There is no high street price pressure," said Simon Briscoe of investment bank Nikko.

Others thought the latest advance on the high street, along with increases in real take-home pay, falling unemployment and the prospect of windfall gains from building societies, supported the Bank's case. "However, with the Chancellor acting on a political agenda, any rate rise will be delayed until after the election," predicted Ciarán Barr at Deutsche Morgan Grenfell.

Mr Clarke would not be drawn on interest rates yesterday. He said: "We will wait for the next meeting."

STOCK MARKETS

*Dow Jones Index & graph at 1300 hours

Indices

Index	Close	Day's change	Change(%)	1996/97 High	1996/97 Low	Yield(%)
FTSE 100	4357.40	+25.10	+0.6	4357.40	3632.30	3.61
FTSE 250	4620.40	+7.70	+0.2	4620.40	4015.30	3.37
FTSE 350	2149.80	+10.50	+0.5	2149.80	1818.60	3.56
FTSE SmallCap	2346.43	+2.98	+0.1	2348.43	1954.06	2.91
FTSE All-Share	2121.75	+9.79	+0.5	2121.75	1791.95	3.51
New York *	7072.85	+5.39	+0.1	7067.46	5032.94	1.92
Tokyo	18599.12	+128.37	+0.7	22666.80	17303.65	0.88†
Hong Kong	13106.32	+3.38	+0.0	13868.24	10204.87	3.25†
Frankfurt	3233.75	-42.41	-1.3	3276.16	2253.36	1.47†

Source: FT Information

INTEREST RATES

Money Market Rates

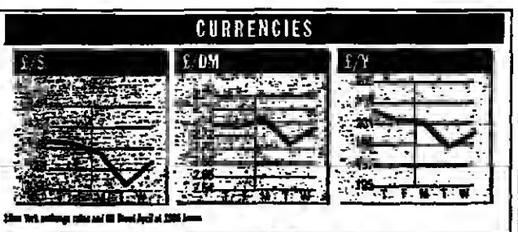
Index	1 Month	1 Year	Bond Yields *	Medium Bond (%)	Year Ago	Long Bond	(%) Year Ago
UK	6.06	6.63		7.09	7.88	7.18	8.03
US	5.31	5.69		5.30	5.99	6.57	5.31
Japan	0.53	0.59		2.37	2.00	-	-
Germany	3.16	3.22		5.51	6.39	6.30	-

*Benchmark indices

MAIN PRICE CHANGES

Rises	Price (p)	Change (p)	Change(%)	Falls	Price (p)	Change (p)	% Change
SmithKline Beecham	941	46.5	5.2	Wing Group	252	15	5.6
Yorkshire-tyne Tee	1152.5	55	5.0	Burford Hldgs	131.5	5.5	4.0
Centrica	66.5	3	4.7	Cmg	1122.5	42.5	3.6

CURRENCIES



*New York exchange rates and DM fixed April at 2.00 levels

Pound

	Yesterday	Change	Year Ago
$ (London)	1.6123	+1.08c	1.5444
$ (N York)‡	1.6025	+0.10c	1.5450
DM (London)	2.7312	+2.25pf	2.2444
¥ (London)	200.040	+Y1.294	163.871
£ Index	97.6	+0.8	84.0

Dollar

	Yesterday	Change	Year Ago
£ (London)	0.6202	-0.42	0.6475
£ (N York)‡	0.6240	-0.04	0.6472
DM (London)	1.6940	+0.26pf	1.4533
¥ (London)	124.075	-Y0.025	106.110
$ Index	104.2	+0.1	95.7

OTHER INDICATORS

	Yesterday	Day's chg	Year Ago
Oil Brent $	20.60	0.02	17.55
Gold $	348.80	3.55	402.00
Gold £	215.19	0.48	260.29

	Index	Latest	Yr Ago	Next Figs
RPI	154.4	-	146.0	13 Mar
GDP	109.7	+2.6pc	107.0	25 Apr
Base Rates		– 6.00pc	6.75	–

DTI frees tenants from beer contracts

Tom Stevenson
City Editor

A flotation of Inntrepreneur moved a step closer yesterday as the Department of Trade & Industry released the company, one of the UK's largest chains of pubs, from a raft of restrictions and freed its tenants from their obligation to buy beer only from Scottish & Newcastle.

The deal, which was welcomed by Inntrepreneur's chief executive, Mike Foster, sbould allow numerous legal rows between Inntrepreneur and its tenants to be resolved, clearing a stumbling block to a stock market listing. Analysts said they expected Inntrepreneur, which owns 2,900 pubs, to come to the market witb a price tag of about £800m.

Inntrepreneur was formed in 1989 when Foster's, which then owned Courage, acquired the brewing interests of Grand Metropolitan and a joint venture company was created to hold the two companies' puh estates. Following a Monopolies and Mergers Commission investigation of the deal in 1990, undertakings were made to reduce the vertical links between the Courage brewing company and the estate and to reduce tbe geographical concentration of pubs tied to Courage.

Yesterday's decision by the DTI means Inntrepreneur is no longer required to limit its estate to 4,350 pubs, is no longer limited to 20 per ceot of tbe pubs in any petty sessional district and is no longer required to free any pubs it still owns from tie by next year.

In exchange it must allow its tenants to buy beer from brewers other than Scottish & Newcastle, the current owner of Courage, in a move which is expected to reduce tenants' costs considerably. Discounts for barrels of beer have widened in recent years thanks to the increasing buying power of independent chains such as Greenalls and JD Wetherspoon, but Inntrepreneur tenants have largely missed out on the downward trend in prices because of their onerous tie to Scottisb & Newcastle.

Mr Foster said: "Inntrepreneur has now been given the opportunity to operate on the same playing field as other indepeodent pub companies."

Announcing the cbange, John Taylor, Minister for Corporate and Consumer Affairs, said: "I bave agreed that Inntrepreneur sbould be released from the existing undertakings. Inntrepreneur's estate is considerably smaller tban at the time the undertakings were introduced. In addition to this, the operation of pub chains has become clearer since the time of the merger. Pub cbains can stimulate competition, providing a counter-balancing force to the selling power of the large brewers."

Referring to the ongoing legal rows between Inntrepreneur and its tenants, he said: "I recognise that there bas been some friction between Inntrepreneur and its tenants. I welcome the recent issue of a Code of Practice covering Inntrepreneur's relationship with its tenants, which has demonstrated the company's desire to resolve these differeoces. I am sure tbat Inntrepreneur will respond to this decision in a similar spirit, seeking to foster relationships with its tenants."

The decisioo to allow Inntrepreneur to extend its tie beyond 1998 is certain to anger some tenants who have alleged inflated beer prices as a result of the current tie agreement.

Fresh steps: The formation of Siemens GEC Communications marks another phase in the transformation of GEC under its new managing director, George Simpson (above), who has already announced sweeping changes Photograph: FT

GEC seals Siemens joint telecoms deal

The network of commercial partnerships between General Electric Company of the UK and Siemens, the German electrical engineering giant, was strengthened yesterday with the formation of a new telecommunications company, *writes Chris Godsmark.*

The jointly owned group, Siemens GEC Communications, will take over telephony operations of GPT, the group which traced its history back to the 1989 takeover of Plessey. Siemens and GEC announced in June 1996 their intention to form a new group to manage their interests in private communications.

It will also combine Siemens Business Communications, formed last year when Mercury Communications, the main UK subsidiary of Cable & Wireless, sold 75 per cent of its business telephony equipment division to Siemens, reducing its shareholding to 25 per cent.

GPT is the UK's largest manufacturer of telecommunications equipment and a leading supplier of the hardware used in private company phone networks. It will specialise in developing large private systems including video-conferencing and computerised switchboards.

The new company will employ around 3,000 staff and will have annual sales of £265m. Neither Siemens nor GEC has disclosed a value for the total deal.

The formation of Siemens GEC Communications marks another step in the transformation of GEC under its new managing director, George Simpson, who joined the group from Lucas in September last year, replacing its long-standing head, Lord Weinstock.

Mr Simpson has already stamped his mark on GEC by announcing a sweeping reorganisation of its internal operating structure, replacing the network of businesses into main operating divisions, each under a separate managing director.

France to auction stake in Thomson

John Lichfield
Paris

The French government has decided to invite bids for its £1.3bn controlling interest in Thomson-CSF, the defence wing of the electronics giant Thomson SA.

The decision follows the embarrassing collapse in December of an attempt to privatise the entire Thomson group. The government, which has rejected pleas from the company's senior management for a stock market flotation, hopes to complete the sale of the military electronics operation by early summer.

Paris will retain an *action specifique* (golden share) to maintain a degree of political control over the destiny of the company and to prevent its dismemberment. It wants Thomson-CSF to be paired with other French defence companies as the first stage of an anticipated, wider restructuring of the country's military industrial complex.

Bidders are certain to include the Lagardère group, owner of the Matra missiles, space and telecommunications company, which was the senior partner in the privatisation deal which collapsed in December. Its principal rival will once again be the space and telecoms company Alcatel Alsthom, probably in association with the plane-makers Dassault and Aerospatiale.

The French treasury is said to hope that an auction, as opposed to a flotation, will bring a premium price for its 58.4 per cent stake in Thomson-CSF, now valued at Fr12bn (£1.3bn). But the government, seemingly wanting the best of all worlds, also let it be known yesterday that it would like Lagardère and Alcatel (and possibly other interested parties) to co-operate in the running of Thomson-CSF.

Government sources said the flotation option had been rejected, in part because it felt the Paris Bourse, also facing the first phase of the privatisation of France Telecom, would not be able to raise sufficient funds. This argument was curtly rejected on the stock market, which has been setting new records daily for several weeks. Jérôme Labin of the Pinatton company on the Bourse told *Le Monde* yesterday: "The market has appetite enough to eat the whole planet and, as long as the paper is good enough, it seems the cash can be printed overnight."

To sweeten the pill for Thomson-CSF management, 10 per cent of the stock of the company will be reserved for employees.

The first attempt at privatisation of the entire Thomsoo SA group was balted in December after the French privatisation watchdog objected to the terms.

Yorkshire Water loses first round of bill battle

Chris Godsmark
Business Correspondent

Yorkshire Water, the privatised water and sewerage group, bas lost the first round of a bitter legal battle over increases in bills to one its largest industrial customers.

Illingworth Morris, one of Europe's biggest producers of wool fibres, revealed that it has been given the go-ahead by a High Court judge to pursue a legal case against Yorkshire Water, alleging it bad been unfairly overcharged. In the meantime, the water company has been prevented from recovering some £1.5m In unpaid bills until a full hearing, expected to take place later this year.

It also emerged last night that the Bradford-based Parkland Group, which makes wool fabrics for Marks and Spencer and other retailers, has also been threatened with imminent court action from Yorkshire Water in a separate, though similar, dispute.

Yorkshire Water became embroiled in furious rows with textile companies over Increases In sewerage bills imposed from 1994. The firms involved, which became nick-named the "dirty thirty", claimed in some cases their waste water charges had gooe up by three times. Textile manufacturers use huge quantities of water in dyeing and finishing processes. Most of the firms involved in the row have since paid their bills. A spokesperson for Yorkshire Water could not be contacted last night.

The Illingworth Morris case claims its subsidiaries, Jarmains and Woolcombers Processors, saw their bills rise by 47 per cent above inflation over a period of six years. Illingworth Morris had claimed in court that the increases were contrary to the Treaty of Rome, which protects against companies who misuse their dominant market power.

Alan Lewis, chairman of Illingworth Morris, explained: "We have worked in harmony with Yorkshire Water for many years. However, since the utility's privatisation our business relationship has become difficult and, from our point of view, commercially unviable. We still hope that, with the arrival of new managemeot at Yorkshire Water, Common sense will prevail and further legal action will prove unnecessary."

Mr Lewis added that the £1.5m was not the real issue in the case. He continued: "It's the principle of unfair and unjust charges which make us uncompetitive in Europe."

Separately, the Parkland Group confirmed that it had been threatened with court action by Yorkshire Water over one element of its waste water charges.

COMMENT

From ridicule to huge rewards, Roscos roll on

Perhaps the City and everyone else interested in the business of leasing should have taken more notice of the golden rule of privatisation, which is that the government nearly always knocks these things out on the cheap, aided and abetted by an opposition that invariably talks down the price. The effect was multiplied in the case of rail privatisation for it took place against the background of a looming general election. Speed became a greater priority than price.

Nevertheless, Andrew Jukes, smug and rich though he now is, has a very good point when he complains that there was nobody else to buy Eversholt in 1995, when the rail leasing companies were being sold by the Government. If nobody else was able to see the real value of the Roscos, or take on the risk of buying them, that was their look out.

The process was widely ridiculed in the summer and autumn of 1995, when the three Roscos were being sold. A lot of this came from the Labour party, some of it from the press - though not these pages - and quite a bit of it too from the venture capitalists, who will always talk a price down if they can.

Even apparent experts took the view that the three companies, with their ancient rolling stock, would would be lucky to fetch £1bn between them; a number of the biggest names in leasing including NatWest looked and decided not to bother. As apparently did Forward Trust, the present buyer, which must have been circulated by Hambros with early details of the sale. It declined to bid and is now paying a very full price to buy second hand.

The low number of first time bidders and the fact that so many were management buyouts rather than big players in the leasing industry was interpreted as confirming that this was a privatisation that could be safely ignored. Even the Government was pleasantly surprised when Hambros pulled in as much as £1.8bn for the three companies.

The real issue, and the one that has produced such rich rewards for the individuals concerned, is not in any case so much the underpricing of the company itself but the way the buyout was structured. In the little known world of venture capital, it is routine to build a whole financial structure on a tiny amount of "sweet equity" - a description that must refer to the way the money sticks to the fingers of those who own it. In the Eversholt case, a mere £2.5m invested at the outset in ordinary shares was able to lay claim to the whole profit.

Are we about to see the banking equivalent of a price war? It's been a long time in coming and we've had many false declarations of hostilities before. But that was certainly the implication of the very competitive interest rate announced yesterday by the new Sainsbury Bank on instant access deposit accounts.

Once upon a time the main banks used to charge us to deposit our money with them. Things have changed a bit since then, but not by much. The rates of interest paid on outstanding balances in standard accounts are still so low they are almost not worth having (almost, but not quite). The position is not much better with building societies. Even the interest on 90-day notice accounts is nothing to get excited about in most cases.

Sainsbury's rates, together with those offered by the other supermarkets, look so much better by comparison that the traditional banking sector must surely respond.

Sainsbury's still has a way to go, of course, before it can match the big banks in terms of customer service. So far it has only launched a savings account. With no overdraft facility, no cheque book and no add-ons like standing order and direct debit options, it is for the time being probably more of a threat to building societies than banks.

But a full Sainsbury's bank account will come later this year, providing a powerful test of the assumed inertia of banking customers. Perhaps in practice people will indeed prove too lazy or care too little about their interest rate to change their accounts. But the market is changing. Unencumbered by the high overhead of a branch network, supermarkets are in a position to offer such dramatically better terms that they may begin to shift this inertia.

At the same time there is the coming battle between building societies which have taken the conversion route and those that are sticking with mutuality. The Nationwide is already running comparative advertising inviting customers to check their rates. More campaigns like this will follow.

The real fun is likely to start after the Halifax and Woolwich flotations in the summer. According to Save and Prosper up to a tenth of depositors could migrate once they've got their free shares. The outflux could be even worse if deposit rates are uncompetitive. The upshot is that both banks and converted building societies are facing a long, bruising battle against a new set of competitors that are not used to losing. It couldn't happen to a nicer bunch.

So at last the truth is out - the Conservatives are against British participation in monetary union (all except the one living at Number 11 Downing Street, anyway) and the Labour Party is broadly in favour of it. Yawn, say the markets. Everyone knew that already, even if these positions were stated with greater clarity by Messrs Rifkind and Brown yesterday than we've ever had before or are ever likely to get just ahead of an election.

But hold on a moment. That's not quite right, is it? The present assumption in markets is that Britain will not join the Euro, not for a very long time in any case. That's a view which accurately reflects the likely Conservative position on this; it is impossible to imagine a Tory government ever taking us into the Euro, even in the unlikely event of Kenneth Clarke becoming prime minister.

But it doesn't seem to reflect the likely position under a Labour Government. In that sense Mr Brown's comments are much more significant than Mr Rifkind's. Labour's increasingly public position seems to be that it will eventually take us into the Euro. If that's the case there are some important implications for markets.

It seems unlikely that sterling would be unduly affected one way or the other by such a commitment. But bond prices most certainly would. Gilts have largely missed out on the "convergence" in European bond prices caused by the approach of monetary union. The result is that the British Government is now paying more for its borrowings even than the one time pariah economies of Italy and Spain. Lower government borrowing costs, then, would be one immediate affect of commitment to monetary union. According to one estimate, the savings might be equivalent to 2p off the basic rate of income tax.

So the markets are wrong to think there's nothing new in what was said. If Labour wins the election and there's real commitment to the Euro, then gilt yields are going to start tumbling fast.

Savers expected to move their money

Nic Cicutti
Personal Finance Editor

More than 1.6 million savers in building societies that are planning stock market flotations will move their deposits to rival higher-paying accounts in the coming months, according to new research yesterday.

The survey for Save & Prosper opens up the prospect of a scramble for cash between financial institutions as more than 10 per cent of demutualised savers prepare to embark on a nomadic search for the best deals on the market.

"Competition among banks and building societies will increase as each vies for new customers," said Stephen Richardson, banking and sales director at Save & Prosper.

"The focus is once again on interest rates offered by banks and building societies. Those unable to keep up with the competition may witness more defections from disgruntled investors."

Save & Prosper's poll was carried out by NOP among members of Halifax, Alliance & Leicester, Woolwich, Bristol & West and Northern Rock, which are either planning to demutualise or are being taken over by a bank. The poll found that although the majority were happy to receive free shares from the demutualisations, only 48 per cent approved of the fact that building societies would become banks. Some 23 per cent were not sure either way.

Only 7 per cent of members were expected to spend their bonuses right away, while up to 4 million savers – 25 per cent of the total – may cash in the shares immediately and save some or all of the windfall.

In recent months, a number of building societies have made direct pitches for former members of National & Provincial, which was taken over by Abbey National last year. A major pro-mutual offensive spearheaded by the Building Societies Association is planned in the summer.

A Woolwich spokesman said yesterday: "Certainly, investors will shop around. But if there was going to be a mass outflow of funds we would have seen it straight away, once members voted for conversion."

Alliance & Leicester said: "We think we offer competitive interest rates. We have loyal investors who have been with us for a long time. The terms of our deal with them have not changed in any respect other than they are now shareholders."

Halifax Building Society did not return calls.

Woolwich incentives boost mortgage business

Woolwich Building Society matched almost 8 per cent of net new mortgage business last year, reflecting its strategy to buy market share by spending more than £100m on incentives such as cash-backs and discounted rates, *writes Jill Treanor*.

Overall, the society's net lending increased by 50 per cent to £1.4bn, which represented 7.6 per cent of the market – higher than its traditional 6 per cent market share. Its gross lending was £3.9bn.

Woolwich yesterday reported record profits, excluding the costs of its planned flotation, of £392m, a rise of 18 per cent on 1995. For the first time in 10 years its estate agency business made a profit, but this was mostly as a result of the profit on the sale of Chestertons Residential.

However, the society's profits would have been £83m lower if Woolwich had written off the special mortgage offers in 1996 instead of amortising the costs over an average four-year period.

The society will float on the stock market later this year and wants to increase its presence in the north of England by merging with a building society in the area.

But John Stewart, group chief executive, indicated that such mergers might be difficult if proposed legislation goes through Parliament. This would mean Woolwich would lose a five-year protection against takeovers if it merged with another financial institution after it had converted to a bank.

Rob Thomas, building society analyst at UBS, said Woolwich's mortgage share would have been helped by its bias to the South-east of England. He also noted that its gross lending figure might have been inflated by borrowers staying to ensure they received their free shares.

Swithland directors found guilty of fraud

Jill Treanor

Two former directors of what was once one of the country's largest privately owned car sales groups have been found guilty of fraudulent trading in a case brought by the Serious Fraud Office.

But the jury at Oxford Crown Court failed to reach a verdict on the same charge against a third former executive.

The jury convicted John Hayes, the former chairman and founder of Swithland Motors, and David Sharratt, the finance director, of fraudulent trading between 1 November 1991 and 26 November 1993. They will be sentenced tomorrow.

The judge dismissed the jury after it failed to agree on the charge against Richard Hayes, 35, the operations director and brother of the chairman.

The SFO opened the case, in conjunction with Customs and Excise and the Leicestershire Constabulary fraud and commercial branch, after Swithland's aborted stock market flotation in November 1993.

The court heard that John Hayes was "the spider at the centre of the web" and would have benefited by some £1m if the flotation had been successful. He was described as "the leader and guiding light of Swithland".

Swithland was based in Mountsorrel, Leicestershire and put into receivership in November 1993. The receivers established that contrary to accounting documents, the car dealership was grossly insolvent to the tune of £25m.

The jury convicted Sharratt on Tuesday and reached its verdict on John Hayes yesterday.

Panel raps Barings on takeover rules

Magnus Grimond

The executive of the Takeover Panel yesterday delivered a public rap over the knuckles to ING Barings after shares in Applied Distribution, a client of the merchant bank, soared prior to it revealing bid approaches last month.

A statement from the Panel said Barings, rescued from collapse by the Dutch group ING almost exactly two years ago, had breached rule 2.2 of the Takeover Code by not keeping the City watchdog informed of the approaches.

Alistair Defriez, the director-general, said: "It is a public statement of criticism because the code has been breached and in particular Barings failed to consult the executive as they were required to do."

The Panel had the choice of keeping the censure of the bank behind closed doors. It was a measure of the seriousness with which the it viewed the issue that the reprimand was made public, Mr Defriez suggested.

Applied, which is involved in contract food distribution from companies ranging from J Sainsbury to Nestle, saw its shares plunge in November after it issued its second profits warning in three months. The price slumped 25.5p to 37p on the day that it announced that it would be passing its final dividend as a result of a downturn in second-half trading, which would mean it would only break even for the period.

Yesterday, the Panel revealed that the company had received certain bid approaches as early as the beginning of December. By that stage, the shares had slipped to 30.5p and continued to slide, hitting a low of 21.5p by 18 December, at which price there was a significant volume of dealings, the Panel said.

The shares then started to rise sharply, reaching 40p by the end of the month, hitting 46.5p on 30 January, just before bid approaches were revealed, and rising 30 per cent to 62p on the day. The Panel said it was "naturally concerned that these price increases may have resulted from a leak in relation to the approaches received ... although there was no speculation about this in the media".

The executive said it was only informed shortly before the company's announcement. Under the code, it should be kept informed if there is a movement of 10 per cent or more.

Investors vent anger on NFC

Directors of NFC, the transport logistics company, had a rough ride from shareholders at yesterday's annual meeting over the group's poor share performance in the past year. And while a positive trading statement by the chairman edged the shares up 5p to 157.5p, the price is still way below the 1996/97 high of 200p.

Sir Christopher Bland, chairman, told shareholders that "market conditions remain challenging, especially in Europe where the group's business has been affected by drivers' strikes in France and Spain. However, we still expect to make further progress during the year."

That did not placate some shareholders. One asked Sir Christopher: "When do you expect our share price to recover?" In reply, the chairman said: "I share your disappointment."

For the year to September 1996 NFC reported a pre-tax profit of £105.2m, up from £38.6m in the previous year.

In Brief

- **Consumer prices in the US** increased by only 0.1 per cent in January, taking the annual inflation rate down to 3.0 per cent from 3.3 per cent in December. The core inflation rate, excluding food and energy, declined to 2.5 per cent. Although the figures were much better than expected, just one component – air fares – accounted for the surprisingly low increase in core prices. The figures nevertheless confirmed that inflationary pressure remained muted. Separate figures showed a widening in the trade gap in December. The deficit on trade in goods and services was $10.3bn, up from $7.9bn in November.

- **Cable & Wireless's Mercury Communications** subsidiary has won a £48m contract to supply voice communications to Lloyds TSB Group. The five-year contract is for a managed service, delivering the corporate voice network linking the offices of Lloyds Bank and TSB Bank across the UK. The network will help Lloyds with the integration of its two banking groups following last year's takeover of TSB.

- **Grand Metropolitan has sold** its Benelux-based bakery businesses, comprising Suzy, Desobry and Driehoek Holdings, to Compagnie Nationale a Portfeuille for £8.5m, including debts. The businesses make waffles, biscuits and traditional Dutch cakes. Combined sales for these businesses for the year to September were around £29m and operating profits £100,000.

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Airtours (I)	381m (272m)	-12.1m (-18.2m)	-7.26p (-12.44p)	- (-)
Parvair (F)	55.4m (39.9m)	4.15m (5.12m)	11p (18p)	5.8p (-)
London Forfaiting (F)	1.856bn (1.388bn)	38.0m (27.1m)	27.01p (18.18p)	11.2p (-)
Lorien (†)	36.8m (21.7m)	1.48m (0.78m)	11.8p (9.7p)	7.5p (-)
Medeva (F)	332m (256m)	38.3m (79.0m)	3.7p (16.9p)	4.8p (-)
WPP Group (F)	7.08bn (6.55bn)	153m (114m)	13.7p (8.5p)	1.7p (-)

(F) - Final (I) - Interim (†) - Latest figs 12 mths, comparatives 34 wks

Medeva's big gamble should pay off

The Investment Column

EDITED BY TOM STEVENSON

Shareholders in Medeva have suffered a stomach-churning voyage over the years, but signs that the drugs group has been steering a steadier course have grown much clearer of late. Market concerns have centred on methylphenidate, the generic form of Ritalin, the controversial treatment for unruly children made by Novartis. It is thought to have represented over two-thirds of group profits in the past, but Medeva's 70 per cent market share could be under attack from three competitors by next year, with Johnson Matthey potentially ready to enter the market with a rival product as early as this summer.

But Medeva has not been sitting on its hands and the first fruits of its labours were apparent in yesterday's results for the year to December. Operating profits cut from £78.1m to £39.9m were hammered by a £65.2m restructuring charge in the wake of last year's $370m (£239m) deal to buy Fisons' old US businesses based at Rochester, New York, from Rhône Poulenc Rorer.

But Rochester, Medeva's biggest buy to date, should do wonders for the group's credibility. Analysts reckon the additional business has diluted methylphenidate profits to around half the group total and the potential is huge. At its most prosaic, the £47m cash spent on integrating Rochester should have repaid itself by the year 2000, when it could be delivering underlying cost savings of around £25m a year.

More exciting still should be the top line benefits. The merged and restructured salesforce, now raised from around 150 to 272, has already managed in six months to generate $77m of sales from Rochester's 10 products, some three-quarters of the total for the whole of last year. And Medeva says only around 15 per cent of the Rochester site was being used when it was acquired, so if it can find the drugs, the capacity is there to multiply by several times the throughput.

Already, over the past two years, Medeva has picked up some interesting prospects. Maiden contributions from RPR products like Ionamin, the anti-obesity treatment which clocked up sales of £22.4m, and the first full year of earlier acquisitions, like Glaxo's Semprex D anti-histamine for allergies, mean new drugs are already reporting sales of more than half the £108m from methylphenidate last year. Given that many of these are growing in double digits and the high margin Rochester products were in for only half a year, the omens are good that Medeva can survive the onslaught on methylphenidate.

Success in a legal dispute over the marketing of Ionamin could deliver a £20m boost to the bottom line, while further out, Hepagene, the hepatitis B vaccine and treatment, could yet turn into a mini-blockbuster. Lehman's profit forecast of £124m puts the shares, up 3.5p at 283.5p, on a forward p/e of 12. Good value against typical industry multiples in the 20s.

Sorrell works miracles at WPP

Martin Sorrell may have created WPP's problems but you can't deny he has done an impressive job digging the advertising and PR group back out of its self-inflicted hole. Pre-tax profits for 1996 were £153.3m compared with under £8m in 1992. Operating profits have grown over that period from 5.9 per cent to 10.8 per cent. Net debt has fallen by two-thirds from £437m to £145m and could be wiped out completely within two years.

That is a remarkable performance for a company that received the last rites so many times while the bankers toiled over its many refinancings that its ultimate recovery is nothing short of a miracle.

Running down WPP's profit and loss account it is hard to avoid the conclusion that everything is going the company's way. Revenues of £1.69bn were 9 per cent ahead of 1995 but by the time a 6 per cent reduction in costs was accounted for, operating profit was 22 per cent better at £182.4m. Lower interest rates and smaller debts helped the pre-tax profit line to a 35 per cent increase to £153.3m and by the time a lower tax charge had had its impact, profit attributable to shareholders was 46 per cent higher. No wonder the final dividend rose 32 per cent to 1.144p.

Shareholders, and Mr Sorrell of course, will now focus on how much more can still be done to bring WPP up to the standards of its best peers. In advertising, Omnicom and Interpublic achieve operating margins of between 13 and 15 per cent, and their best businesses as much as 17 per cent. In PR, Shandwick generates a return of more than 10 per cent.

With strong brands such as Ogilvy & Mather, J Walter Thompson and Hill & Knowlton, there is no reason why WPP should not aspire to that sort of performance. This, the company believes, would by itself add another £25m to operating profit.

House broker Panmure Gordon believes strong sterling will hold WPP's profits back a bit this year from previous expectations of £180m to about £175m. Lower tax, however, will keep earnings per share at just over 15p.

That puts the shares on a prospective price/earnings ratio of 16 at 253p, down 14p. Given the scope for further growth, that's good value.

Early bookings boost Airtours

Airtours' figures for the first three months to December are not the most meaningful data – it is hardly the most important quarter of the year for a tour operator and travel agent. They do, however, give analysts a chance to check their expectations and for the company to give a steer about the volume of early bookings.

Yesterday's 6.5p fall in the share price to 970p was a rather grudging reaction to a quarterly statement that reassured on both these counts.

Analysts pushed their expectations for the year to September a useful £7m higher to £110m on the back of buoyant booking figures showing early purchases of summer 1997 packages 45 per cent ahead.

But after the shares' breathtaking recent run, a pause was to be expected. When Airtours announced record profits for the year to last September a couple of weeks before Christmas the shares stood at just over £7. Now they are the best part of £10.

Less than five years ago you could have picked them up for 170p, and they have doubled in a year.

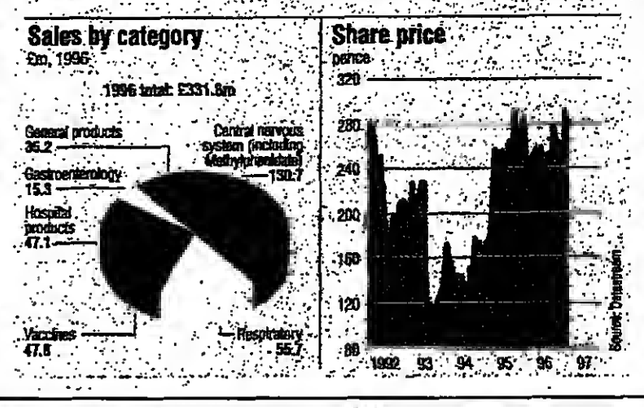
Yesterday's statement showed a 40 per cent rise in first-quarter sales thanks in part to the inclusion of Spies and Alba, the latest in Airtours' overseas pushes, and a 33 per cent drop in the seasonal loss before tax to £12.1m. Part of the rationale for moving into overseas markets such as Scandinavia and Canada has been a desire to make the business less summer orientated and the strategy appears to be working handsomely.

Airtours shares have soared on hopes that the days of overcapacity and price wars are over for good, together with a touch of bid spice from the 29.9 per cent stake held by Carnival Corporation of the US. On the latest forecasts they stand on a prospective price/earnings ratio of 18 this year. That's a reasonable premium for a genuine growth company and the shares are still worth holding.

Medeva: at a glance

Market value: £933m, share price 283.5p

Trading record	1992	1993	1994	1995	1996
Turnover (£m)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pre-tax profits (£m)	36.0	46.1	64.2	79.0	38.3
Dividends per share (pence)	2.22	2.7	3.3	4.0	4.8



Data Bank

FTSE 100	4357.4	+25.1
FTSE 250	4620.4	+7.7
FTSE 350	2149.8	+10.5
SEAQ VOLUME	867.5m shares, 47,785 bargains	
Gilts Index	96.61	-0.13

Share spotlight

Reed moves up on hopes of consumer books sale

MARKET REPORT

PATRICK TOOHER

While the £100m hole discovered in the accounts of Pearson's Penguin subsidiary in the US keeps the gossips in the book world chattering, rival **Reed International** is quietly moving ahead with plans to focus on electronic publishing.

According to market sources, the Anglo-Dutch group is thought to be close to finalising the sale of its consumer books division to a management buy-out team.

Reed has been trying to sell the division en bloc for the best part of two years. When an auction attracted bids of just £70m-£80m, compared to an initial asking price of £250m, the business was withdrawn from the market.

But at the end of last year John Holloran, who led a buy-out of British Printing Corporation from the late Robert Maxwell, was appointed to fatten up consumer books ahead of a sale by early 1998.

Reed recently sold some of the best-known names in book publishing, including Secker & Warburg and Heinemann, to Random House for about £20m – the equivalent of the division's turnover.

Using a similar ratio Reed hopes the rest of the consumer books business, which includes reference, illustrated and children's books, will fetch around £150m. Hopes that a sale is imminent, and at a reasonable price, helped elevate Reed's shares 45p to 1147.5p. Analysts also believe the shares have been oversold since Reed warned before Christmas that currency factors could hit profits in 1997.

Rumours that **Reuters**, up 11p at 666.5p, might be sniffing around Reed were dismissed as old hat.

For once the FTSE 100 index ignored a weak opening in New York by building on earlier gains to close at a record high of 4357.4, up 25.1 on the day. News of the death of Chinese leader Deng Xiaoping came after the market closed, though Wall Street's initial reaction was calm.

SmithKline Beecham led the way, surging 46.5p to an all-time peak of 941p on further consideration of a strong set of 1996 figures from the drugs giant on Tuesday. Merrill Lynch reckons SmithKline Beecham deserves to trade on a similar multiple to its US peers, implying a price in excess of 1000p.

Good results from Swedish pharmaceuticals group **Astra** added to positive sentiment in the sector, with **Zeneca** advancing 25p to 1801p and **Glaxo** 25p ahead at 913.5p.

Also firm was **BAT Industries**, 17.5p better at 545.5p on renewed hopes that the US tobacco industry will agree a settlement with various groups bringing lawsuits against it.

The froth came off **Scottish & Newcastle** after the Department of Trade and Industry gave tenants with Inntrepreneur, owned by Grand Metropolitan and Foster's, the choice to buy their beer supplies from other brewers. Scottish & Newcastle's shares shed 6p to 669p.

Shell was on the slide, down 9p at 1079.5p, as Salomon Brothers urged clients to take profits on the back of recent share price strength. The US investment bank believes Shell's valuation is stretched relative to the sector and expects the share to weaken as the crude price declines.

Yorkshire Tyne-Tees topped the list of FTSE 250 movers as speculation grew that Granada, owner of the North-west franchise, was about to make its long-awaited move on the television group and trigger one last shake of the ITV kaleidoscope.

Granada is said to have cleared the decks for the acquisition after selling its Welcome Break motorway service stations for £476m and pocketing another £90m from property group Chelsfield for its Westbury hotels in London and New York. Shares in Yorkshire ended 55p higher at 1152.5p, valuing the broadcaster at £637m.

Other ITV franchise holders shrugged off recent fears about the impact of digital television with **Scottish TV** up 13.5p at 616p and **HTV** 5p firmer at 335p. Expect HTV to move higher this morning. Analysts say a Granada swoop on Yorkshire would free United News & Media, holder of the Anglia and Meridian licences, to pounce on HTV. United has 14 per cent in Yorkshire and 29.9 per cent of HTV – the maximum allowed without triggering a full bid.

Amec surged in late trade to close 5p ahead at 109p. The contractor is expected to announce this morning that it is close to completing the sale of its 20 per cent stake in Egypt Gas for £38.1m. The deal, due to completed next Monday, will net Amec a £30m profit.

Shares in **George Wimpey**, the housebuilder, added 2.5p to 138p as fund manager PDFM bought 9.73 million shares to take its stake from 20 per cent to 22.7 per cent.

Taking Stock

☐ **Shares in printer Hunters Armley climbed 2.5p to 106p on the back of upbeat comments from David Bird, the chairman. He told shareholders at the group's annual meeting that first-quarter demand remained buoyant while the second quarter had started well. All five operating units had shown encouraging growth, he said. Last week Hunters appointed Charterhouse Tilney to replace Panmure Gordon as its brokers. Charterhouse expects Hunter's profits to reach £3.8m in the year ending September.**

☐ **The curiously named Waterfall Holdings, the AIM-listed operator of pool and snooker halls, nudged a penny higher at 74p. It has paid £451,000 for two new Cue sports clubs in Birmingham and Gloucester and the freehold of a site in Reading.**

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items.
Other details: r Ex rights x Ex-dividend a Ex all u Unlisted Securities Market s Suspended pp Partly Paid pm Nil Paid Shares. ‡ AIM Stock

Source: FT Information

The Independent Index

The index allows you to access real-time share prices by phone from London Stock Exchange. Simply dial 0891 123 335, and when prompted to do, so enter the 4-digit code printed next to each share. To access the latest financial reports dial 0891 1233 followed by one of the two-digit codes below.

FTSE 100 – Real-time	00	Sterling Rates	04	Privatisation Issues	38
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Anyone with a tone-dial telephone can use this service. For a detailed description of The Independent Index, including its portfolio facility, phone 0891 123 333. For assistance, call our helpline 0171 873 4378 (9.00am - 5.00pm).

Market leaders: Top 20 volumes

Stock	Vol'000	Stock	Vol'000	Stock	Vol'000	Stock	Vol'000
Centrica	4420000	Barclays	1340000	Lloyds TSB	930000	Marks & Spencer	680000
BAT Inds	2200000	Vodafone	1250000	British Steel	800000	Tesco	660000
Hanson	1710000	BP	1110000	Prudential	800000	T&N	640000
ASDA Group	1420000	Chubb	1010000	BT	740000	Williams Hldgs	630000
BG	1370000	Glaxo Wellcome	970000	NatWest Bank	690000	Reuters	620000

FTSE 100 Index hour by hour

Open 4346.1 up 13.8	11.00 4349.0 up 16.7	14.00 4348.8 up 16.5
09.00 4341.8 up 9.5	12.00 4348.1 up 15.8	15.00 4344.1 up 11.8
10.00 4345.3 up 13.0	13.00 4345.2 up 12.9	16.00 4352.8 up 20.5
		Close 4357.4 up 25.1

Government Securities

business

Wipe the slate clean for the world's poorest countries

Diane Coyle

The call for more official aid to developing nations is a forlorn hope. But there is another way

The recent annual review of aid to poor countries by the Organisation for Economic Co-operation and Development, the rich countries' club, makes unusually sombre reading. The flow of aid to poor countries from rich governments has slumped in the latest year for which figures are available – with the UK one of the meanest donor countries.

In its annual review of development assistance provided by member countries, the 29 richest in the world, the OECD revealed that total aid spending fell by nearly a tenth in real terms in 1995. The total declined to $58.9bn in cash terms.

The normally upbeat report described this as a slump, and said 15 out of the 21 countries reviewed had slashed aid spending. The OECD set out an action plan, including increased official assistance, for giving more help to poor countries.

It put a positive gloss on the disappointing official contributions by noting that increasing private sector investment meant total capital flows from the rich to the developing countries had reached a new record of $239.3bn. Private money accounted for $159bn of this. Portfolio investment has fallen since the Mexico crisis, but bank lending and direct investment are both growing strongly.

However, as the charts show, the private investment is heavily concentrated in the richest developing countries. Flows to sub-Saharan Africa are down and it now receives almost none. Both South America and Asia have enjoyed increases, but these are concentrated on the handful of economies that are growing rapidly anyway. More than three-quarters of all private investment by OECD countries in the developing world goes to a dozen "upper middle income" countries.

The report's conclusion is that there needs to be more official aid, but focused on creating the underlying conditions for private investment: "Aid, in short, must now be used with a deliberate mission to help countries break out of aid-dependency." The message is that increasing private capital flows to the few are no substitute for official aid flows to the many.

It is hard to see any hope of aid budgets being increased, however. The UK was one of those leading the way in cutting official aid. It amounted to $3.2bn (£2bn) in 1995, a fall of 6.5 per cent in real terms. Britain has been overtaken for the first time by the Netherlands in the amount of development aid it provides. UK aid was sixth lowest as a share of GDP, well below the OECD average at only 0.28 per cent, although the think-tank conceded that the British programme was "businesslike".

The US was the fourth-biggest donor in absolute terms, but bottom of the league for aid relative to GDP at only 0.1 per cent, following a 28 per cent real-terms reduction in 1995.

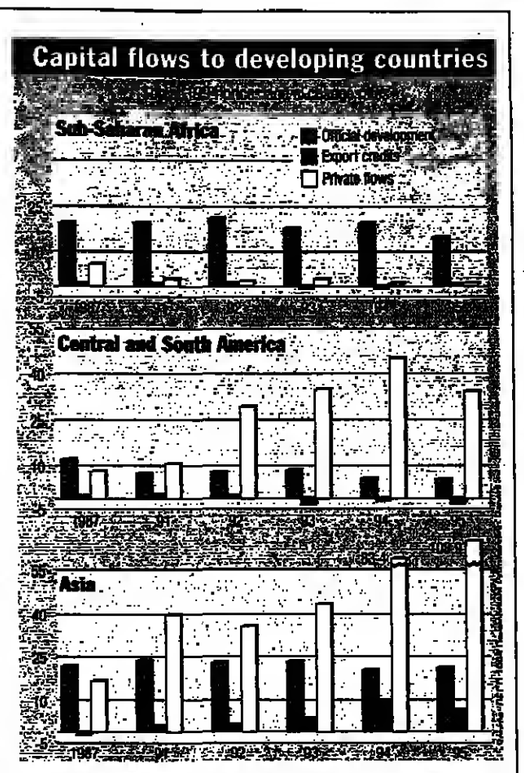
Only four countries met the UN target of giving the equivalent of 0.7 per cent of their GDP in aid to developing countries. These were Denmark, Norway, the Netherlands and Sweden.

In short, any country with government deficit reduction high on the political agenda – including all of the EU and the US – has cut its aid budget. Brave is the politician who would ask for more money for poor foreigners when national welfare budgets are being slashed.

It is also worth wondering how extra funds from the countries of "the north" could actually help the poorest countries of "the south" get themselves into a state which will attract private finance and see them become fully fledged members of the international economy. It surely cannot be a question of infrastructure: the World Bank has been funding bridges, roads and dams for 50 years.

It is hard to see how shovelling in funds from one set of governments can help another set of politicians become less corrupt or better rulers – if anything, the reverse will happen. That leaves, perhaps, areas such as educational and social spending, but even here there must be a suspicion that more is lacking than oodles of money.

The call for higher official assistance to developing countries is not only a forlorn hope, but also less useful than an alternative financial commitment the rich nations could make. That is writing off, on generous terms, the debt poor countries already owe Western governments.



Thanks in large part to the efforts of Chancellor Kenneth Clarke – which go a long way to compensate for his cutting the overseas development administration's budget – a debt relief initiative was agreed at last October's annual meeting of the World Bank and International Monetary Fund. It is a modest initiative, which will provide only a slow trickle of relief for a couple of dozen poor nations in terms of the amount of interest they must pay to governments in the north.

Even so, getting the necessary international agreement has been painfully difficult. Asking for more generous debt relief is almost as idealistic as asking for more aid.

Yet writing off past debts would, above anything else, help some of the world's poorest countries stand on their own feet. These huge debts were shovelled on to them by the rich countries in the past – as willing to lend as the recipients were to borrow. Paying the interest on these accumulated debts has been a crippling burden with far-reaching effects, including the disastrous focus of many countries on growing cash crops for export rather than growing food and following the proven development path of industrialisation.

A bigger debt write-off would not even cost very much. The package agreed last October amounted to £3.6bn. That is little more than the likely error in the Treasury's forecast of this year's public sector borrowing requirement, and only about twice the UK's 1995 aid budget.

In a real sense, Britain could have afforded to finance the whole debt relief initiative by itself. The moves so far have been mainly symbolic and the rich countries should do much more. It would cost them little, but those small amounts would constitute a huge increase in the amount available for southern governments to spend on their own health and education programmes. It would wipe the slate clean for the world's poorest countries to have a fresh go at developing themselves rather than having to take the OECD's advice along with its aid dollars.

Flush with his success, Clarke tots up the gags

PEOPLE & BUSINESS

To the Office of National Statistics (ONS) in London's Pimlico, to witness Chancellor **Ken Clarke** unveiling a plaque commemorating the opening of its spanking new offices.

Until recently the ONS has been sharing space in the Treasury, which is becoming increasingly dowdy as it awaits refurbishment.

As our Ken undrapes the plaque, which sits on a stand in the plush new atrium, he muses: "Some of the best news I got about the Treasury building recently was that it was on fire. The worst news was that the fire brigade was putting it out."

This seems a trifle unfair, since it was the Government's own austerity drive which led to the Treasury's dilapidation in the first place.

Our Ken cannot resist a further crack. Seeing that the plaque is sitting on a temporary stand, he says: "I suppose you're going to hang this plaque in the Gents."

Unabashed, up steps the Treasury's economics head prefect, **Angela Knight**, to press the button on an electronic scoreboard which flashes up the ONS's latest statistics. "Perhaps this will go in the Ladies," she adds.

Angela Knight: Putting a word in for the Ladies

Reuters, the global information group, has appointed Sir **John Craven**, chairman of Deutsche Morgan Grenfell, as a non-executive director.

This is quite a coup for Reuters, as Sir John has very few interests outside DMG. Sir John is at pains to point out that the appointment does not presage any link-up between Reuters and Deutsche. "It's simply that Reuters were seeking to expand their board a bit," says Sir John. "I'm not replacing anyone. I'm a net addition."

Sir John also indicates he has a slightly less hectic timetable than of old, since he retired from Deutsche Bank's Vorstand, or management board, a year ago. Since then he has been travelling the globe developing DMG's international client base.

A Reuters spokesman adds that Sir John's City and international experience will be invaluable in helping to expand Reuters' coverage of the equity and fixed-income markets.

Sun Life of Canada has sent me a letter informing me of its "enhanced payouts for its 25-year endowment policies".

The insurer writes: "However, in line with other life companies, the 20-year payout has deceased [sic] reflecting lower investment returns over the last 20 years."

Blimey. Just how low do returns have to be to kill off a payout? May it rest in peace.

Once upon a time there was a hugely rich group of Swiss gnomes called Crédit Suisse, and a Wall Street investment bank called First Boston. They formed an investment bank subsidiary called Crédit Suisse First Boston, headed by **Dr David Mulford**.

Dr Mulford has played a big part in successive US administrations as a senior Treasury adviser, negotiating yen/dollar agreements with Japan and financial assistance to Russia. Truly a *grand fromage* of international capitalism.

A few years ago the First Boston hit faded badly and it was renamed CS First Boston but still described as "an American investment bank".

This year Crédit Suisse decided to take closer control. It dumped its corporate banking arm on to it, renamed it again – back to Crédit Suisse First Boston and restyled it – as "a Swiss bank".

And yesterday, with much fanfare, CSFB announced its new chairman – Dr David Mulford, distinguished adviser to the US Treasury etc. Perhaps the bankers should leave these tiresome rebranding exercises to Richard Branson.

Buchler Phillips, the insolvency firm which wound up **Robert Maxwell**'s private estate (or what was left of it), has hit on a wizard wheeze to attract fellow receivers to a seminar in Hong Kong. The conference for accountants, lawyers and bankers will be held the day before the Hong Kong Sevens tournament starts, on Friday 21 March.

This rugby tournament is widely thought of as one of the most enjoyable of all sports occasions, involving superb sports facilities and copious quantities of alcohol.

Two days later, senior partner Peter Phillips has to fly to New Orleans for the Insol conference, the periodic global gathering of insolvency specialists. It's dirty work, but someone's got to do it.

John Willcock

Foreign Exchange Rates

Sterling Country	Spot	1 month	3 months	Dollar Spot	1 month	3 months	D-Mark Spot
US	1.6123	11-9	32-29	1.000	–	–	0.5903
Canada	2.3862	54-49	164-156	1.3560	24-23	75-73	0.8004
Germany	2.7312	69-61	203-193	1.6940	30-28	90-87	1.0000
France	9.2282	217-198	640-608	5.7238	86-81	269-258	3.3789
Italy	2716.6	25-40	45-67	1686.2	27-28	58-60	995.419
Japan	200.04	95-91	281-276	124.07	43-47	149-147	73.2438
ECU	1.4096	21-18	66-61	1.1438	13-14	44-45	0.5161
Belgium	56.364	15-10	42-36	34.960	7-5	20-17	20.6375
Denmark	10.421	222-177	655-556	6.4638	99-79	298-247	3.8157
Netherlands	3.0666	82-74	240-225	1.9021	39-37	121-115	1.1228
Ireland	1.0262	5-1	16-10	1.5712	5-3	10-6	0.9757
Norway	10.857	180-90	380-270	6.7343	50-25	118-68	3.9754
Spain	231.61	5-5	31-13	143.66	9.3-10.3	107-112	84.8022
Sweden	12.017	220-160	690-580	7.4534	41-16	153-101	4.3999
Switzerland	2.3916	85-76	239-226	1.4834	40-37	119-114	0.8757
Australia*	2.1048	10-16	15-25	1.3055	14-16	33-35	0.7707
Hong Kong	12.489	93-52	240-183	7.7460	2-0	2-7	4.5726
Malaysia	4.0110	0-0	0-0	2.4878	27-30	80-85	1.4686
New Zealand*	2.3361	64-71	155-168	1.4490	54-56	97-99	0.8553
Saudi Arabia	6.0468	0-0	0-0	3.7509	1-4	5-9	2.2140
Singapore	2.3019	0-0	0-0	1.4278	24-18	70-65	0.8428

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	1.6123	0.9999	Nigeria	130.097	80.6800
Austria	19.2218	11.9224	Oman	0.6208	0.3850
Brazil	1.6936	1.0503	Pakistan	64.6288	40.0799
China	13.3738	8.2938	Philippines	42.5055	26.3600
Egypt	5.4802	3.3996	Portugal	274.727	170.400
Finland	8.1459	5.0517	Qatar	5.8701	3.6415
Ghana	284.357	176.400	Russia	9134.81	5665.00
Greece	428.538	265.760	South Africa	7.2192	4.4770
India	57.8395	35.8750	Taiwan	44.5050	27.6000
Kuwait	0.4897	0.3037	UAE	5.9243	3.6740

Forward rates quoted high to low are at a discount: subtract from spot rate
rate quoted low to high are at a premium: add to spot rate
*Dollar rates quoted as reciprocals.
For the latest foreign exchange rates call 0891 123 3033.
Calls cost 50p per minute (day rate) 45p other times.

Interest Rates

UK		Germany		US		Japan	
Base	6.00%	Discount	2.50%	Prime	8.75%	Discount	0.50%
France		Lombard	4.50%	Discount	5.00%	Belgium	
Intervention	3.15%	Canada		Fed Funds	5.25%	Discount	2.50%
Italy		Prime	4.75%	Spain		Central	3.00%
Discount	7.5%	Discount	5.00%	10-Day Repo	6.00%	Switzerland	
Netherlands		Denmark		Sweden		Discount	1.00%
Advances	2.50%	Discount	3.25%	Repo (Ave)	4.10%	Lombard	4.25%

Bond Yields

HSBC Markets Research

Country	5yr	yield %	10yr	yield %	Country	5yr	yield %	10yr	yield %
UK	7.0%	5.82	7.50%	7.13	Netherlands	8.75%	4.48	6.0%	5.39
US	6.25%	6.08	6.50%	6.29	Spain	7.9%	6.00	7.35%	6.74
Japan	6.0%	1.66	2.9%	2.45	Italy	7.75%	6.78	7.75%	7.29
Australia	10.0%	7.06	8.75%	7.30	Belgium	9.0%	4.29	6.25%	5.59
Germany	6.0%	4.55	6.0%	5.51	Sweden	13.0%	5.38	6.50%	6.62
France	5.5%	4.29	5.5%	5.37	ECU OAT	6.0%	4.58	5.50%	5.82

Yields calculated on local basis. †new benchmark

Money Market Rates

	O'Night		7 Day		1 Month		3		6 Months		1 Year	
Interbank	4	6¼	6	6⅛	6	6⅛	6⅛	6⅛	6⅛	6⅛	6⅛	6⅛
Sterling CDs	-	-	-	-	6¼	-	6⅛	-	6⅛	-	6⅛	-
Local Authority Deps	6	-	6⅛	-	6⅛	-	6¼	-	6 13/16	-	6¼	-
Discount Market Deps	6⅛	-	5 15/16	-	-	-	-	-	-	-	-	-
Treasury Bills (Buy)	-	-	-	-	5 9/16	-	5⅛	-	-	-	-	-
Dollar CDs	-	-	-	-	5.16	-	5.18	-	5.23	-	5.38	-
ECU Linked Dep	-	-	-	-	4 13/16	4⅛	4 13/16	4⅛	4 13/16	4⅛	4⅛	4⅛

Tourist Rates

£ Buys		£ Buys		£ Buys	
Australia(Dollars)	2.0385	France(Francs)	8.8740	New Zealand(Dollars)	2.3165
Austria(Schillings)	18.5175	Germany(Marks)	2.6335	Norway(Kroner)	10.3850
Belgium(Francs)	54.2500	Greece(Drachmas)	412.0000	Portugal(Escudos)	263.3500
Canada(Dollars)	2.2270	Hong Kong(Dollars)	12.4000	Spain(Pesetas)	222.9000
Cyprus(Pounds)	0.7860	Ireland(Punts)	0.9250	Sweden(Kronor)	11.5500
Denmark(Kroner)	11.0840	Italy(Lira)	2854.0000	Switzerland(Francs)	3.2700
Holland(Guilders)	2.9550	Japan(Yen)	194.0000	Turkey(Lira)	186100.0000
Finland(Marks)	7.9500	Malta(Lira)	0.5865	United States(Dollars)	1.6000

Liffe Financial Futures

Contract		Settlement price	High/Low for day		EstConts traded	Open interest
Long Gilt	Mar 97	113-09	113-25	113-03	78844	203189
German Gvt Bd	Mar 97	103.49	103.86	103.38	235482	245298
Italian Bond	Mar 97	129.67	130.15	129.30	82440	123582
Japan Gvt Bd	Mar 97	126.40	126.49	126.34	3824	n/a
3 Mth Sterling	Mar 97	93.74	93.75	93.71	9086	100562
	Jun 97	93.56	93.60	93.52	25518	116919
3 Mth Euromark	Mar 97	96.85	96.88	96.82	565	5310
	Jun 97	96.85	96.89	96.84	30169	176288
3 Mth Eurolira	Mar 97	92.79	92.82	92.73	16309	90061
	Jun 97	93.31	93.36	93.24	24097	93128
3 Mth Euryen	Mar 97	99.44			0	n/a
3 Mth Euroswiss	Mar 97	98.24	98.27	98.24	2609	28831
	Jun 97	98.30	98.39	98.29	4020	35978
3 Mth ECU	Mar 97	96.88	96.91	96.89	543	19919
	Jun 97	96.94	96.97	96.94	921	5898
FTSE 100	Mar 97	4346.0	4347.0	4326.0	12706	56972
FTSE 250	Mar 97	4620.0			0	8436

Liffe FTSE Index Option

Settlement price: 4353

Series	4250	4300	4350	4400	Call/Put Total/vols
Feb	58/4	87/46	115/78	141/93	- -
Mar	16/13	57/57	84/96	108/111	- -
Apr	1/54	33/94	60/123	84/137	- -
May	1/104	17/126	41/154	60/164	110/161

Energy

Brent Crude (£/barrel) IPE	5.30pm	*chg	Yr ago	Gas oil ($/tonne) IPE	close	*chg	WTI		6pm	Products †	($/tonne) Spot CIF NW Europe	
Apr	20.63	+0.23		Mar	176.00	+1.00	Apr		22.20	Prem.Unleaded		210/212
May	20.28	+0.06		Apr	178.00	+0.75	May		21.85	Naphtha		216/218
Jun	20.00	+0.19		May	179.00	+1.25	Jun		21.55	EC Gasoil		179/180
Vol: 15,868	Index: 20.49			Vol:	8,873		Jul		21.30	Heavy Fuel Oil		97/99

*since 5.30pm previous day. †Year ago prices average for week. Source: ICIS-London Oil Reports. †10pm prices

Commodity Indices

	Base date	+/-Spot	%chg Day	21 Dec	%chg YTD	GSCI Indices Year ago	%chg Yr
Index	1970=100	193.41	+0.32	215.26	-10.15	192.99	+0.22
Agricultural	1970=100	293.96	+0.88	231.23	+3.77	257.59	-16.88
Energy	1983=100	70.53	+0.15	85.88	-17.85	84.54	+9.28
Industrl Metals	1977=100	178.63	+1.05	168.79	+5.83	186.40	-4.17
Livestock	1970=100	187.29	-0.44	191.03	-1.96	175.22	+6.89
Precious Metals	1973=100	444.73	+0.05	463.54	-4.06	517.63	-14.08

†Close as of 18 Feb 1997

Industrial Metals

London Metal Exchange

	$/tonne Cash	3 mths	Volume	LME Stocks	chg
Aluminium HG	1572.5-73.5	1605.5-8.0	89750	325650	- 3925
Aluminium Alloy	1500.0-10.0	1520.0-30.0	575	73260	- 40
Copper A	2427.5-28.5	2342.0-43.0	39973	218475	+ 2650
Lead	658.0-58.0	656.0-7.0	8625	110900	- 75
Nickel	7795-7805	7890-7900	8698	41573	- 1050
Tin	6010-6020	6050-6060	5525	9805	- 315
Zinc	1207.5-8.5	1215.0-16.0	17411	476825	- 1450

Settlement Conversion exchange rates: £/$ 1.6150 $/£ 0.6928 $/¥ 123.90. Stock volumes & change in tonnes as at Tue 11 Jan 97

Precious Metals

Spink & Son

pm fix /oz	$	£	Coins	$	£		$	£
Platinum	368.75	227.25	Britannia	389	229	Krugerrands	347/358	215/222
Palladium	134.50	83.35	Britannia 5 oz	189	117	Sovs	81/90	50/56
Silver spot	32.00	32.25	Britannia 25 oz	82	57	Nobles	368/384	228/238
Gold Bullin	346.25	214.61	Britannia 10 oz	45	28	Maple Leaf	353/369	219/229

Agricultural

CMS

Cocoa LIFFE	£/tonne	Coffee LIFFE	$/tonne	Barley LIFFE	£/tonne	Potatoes LIFFE	£/tonne	Potatoes AIA	Gld 100kg
Mar	853	Mar	1495	Mar	92.0	Apr	57.50	Mar	11.20
May	880	May	1510	May	93.0	May	62.60	April	12.30
Jul	899	Jul	1535	Sept	91.0	Jun	70.50	May	13.40
Vol:	3433	Vol:	9327	Vol:	51	Vol:	72	Vol:	171

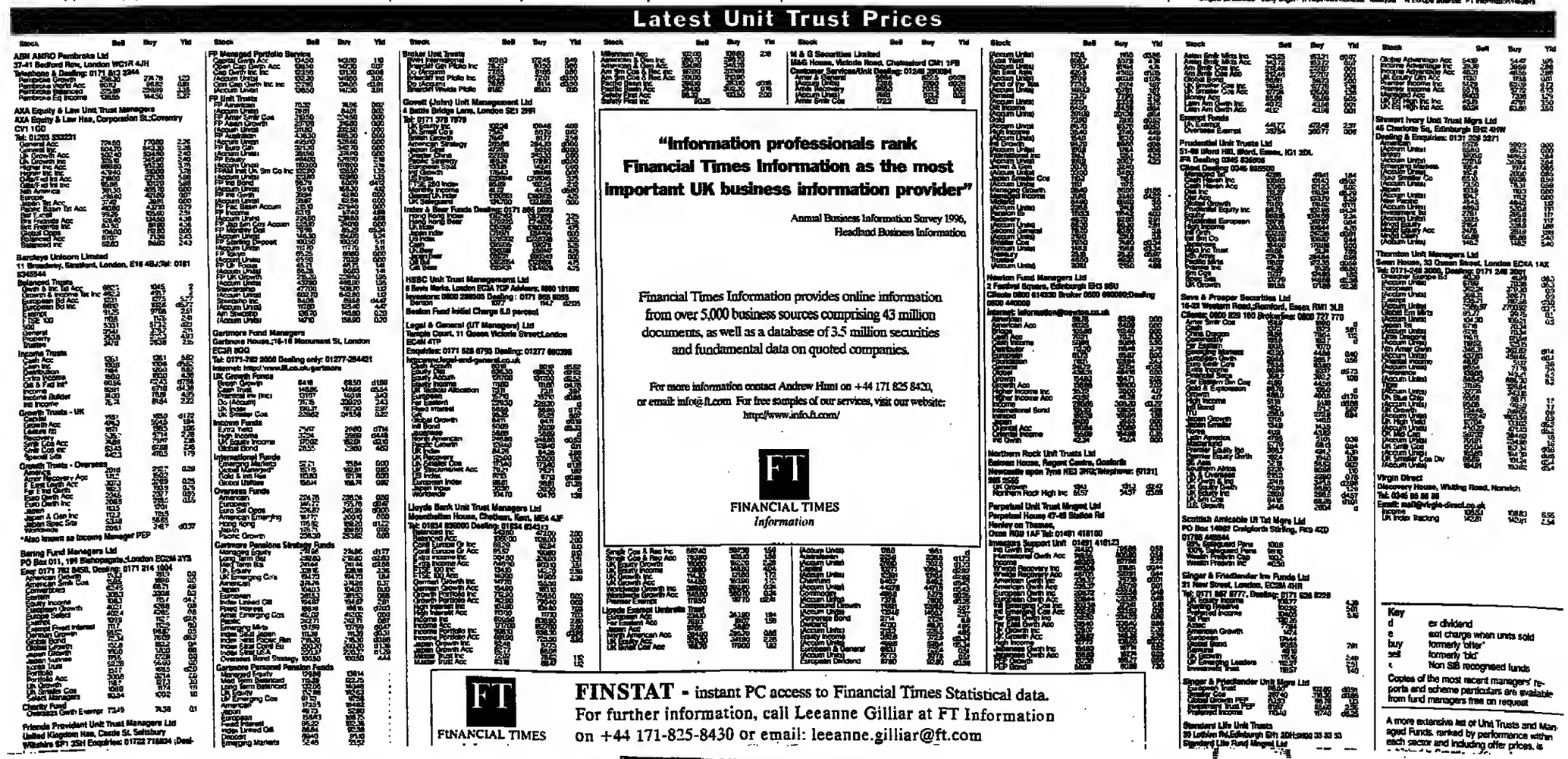
White Sugar LIFFE	$/tonne	Freight LIFFE	$10k/pt	Wheat LIFFE	$/tonne	Corn CBOT	Hi-Lo	Cents/bushel Settl
May	312.30	Feb	1465	Mar	93.65			
Aug	312.0	Mar	1585	May	96.70	Mar	281.0-275.0	280.0
Oct	307.70	Vol:	175	Jul	98.60	May	281.0-275.50	280.25
Vol	868	Index	1467	Vol:	1266	Jul	280.0-273.50	278.75

Other Softs

unq	Maize (No3)**	£/tonne	unq	Mar/Apr	Soya Oil§	FL/100kg	100.00
Jan/Feb	Copra (†)	$/tonne	146.0	Jan	Coconut Oil (†)	$/tonne	787.50
Mar	Cotton (NY)	USCent/lb	73.43	Mar	Sunflower Oil§	$/tonne	505.0
unq	Wool	Acent/kg	unq	May/Jul	Rapeseed Oil§	FL/100kg	101.75
Feb	Rubber*	Mcent/kg	303.50	Feb/Mar	Groundnut Oil	$/tonne	895.0

Origins: §Dutch/EC • other origin • †Philippines/Indonesia • *Malaysia **Hi Europe Source: FT Information/Reuters

Latest Unit Trust Prices



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Richards orders One for the road

Racing

GREG WOOD

Irrespective of whether or not you backed him, one of the most distressing sights of 1996 was surely that of One Man, the Gold Cup favourite, clambering drunkenly over the second last and slowing to an exhausted walk. The vigour with which be had cantered towards the leaders just seconds earlier disappeared so rapidly that few who were there – and least of all Gordon Richards, his trainer – would care to witness a repeat.

So it is that Richards's decision to remove One Man from the Queen Mother Champion Chase at yesterday's forfeit stage, leaving the Gold Cup as his only Festival engagement, will be seen by some as a positive sign. Surely, the reasoning goes, a trainer of his experience would not go to the Festival unless he was certain that One Man is at last ready to do himself justice around Cheltenham in March. In practice, of course, even the man who knows the horse better than anyone cannot know what enters his grey head when faced by three and a quarter miles around Prestbury Park, and the decision to run is another victory for hope over expectation.

The Champion Chase seemed a realistic alternative for One Man until his recent defeat by Strong Promise in the Comet Chase at Ascot. The growing suspicion must now be that Richards bas the dubious good fortune to train the best two-and-three-quarter miler over fences, with neither the speed for the Champion Chase nor the stamina for the Gold Cup, and his odds for the latter event, unchanged at around 9-1, are a clear testament to the scepticism of both punters and bookies.

"I've not declared him for the Champinn, which saves us £500," Richards said yesterday. "I think he'll probably run in the Gold Cup, as I think he will have a better chance in that race. He's all right after Ascot and it was my fault that he was below form there, as I ran him too quickly. He was very flat and showed no sparkle."

Wincanton's Kingwell Hurdle card this afternooo offers a reminder that One Man is not the only resident of Greystoke with a chance of lifting steeplechasing's greatest prize. Unguided Missile, who has been quietly supported for the race in recent weeks, lines up for the Jim Ford Chase, a fascinating event which requires him tn give 6lb to a field which includes Coome Hill, himself a very serious Gold Cup candidate, and Maamur, whose aspirations are more directed towards the Grand National at Aintree.

Unguided Missile will be Richards' first runner at the west country track in 33 years with a licence. "I rode there," he said, "but it was abnut 50 years ago, just after the War, and I can't remember if I had any winners." It will be a long return trip indeed if Unguided Missile leaves empty-handed, but his stamina is distinctly suspect beyond three miles, and it is very difficult to see him conceding the weight to Coome Hill (2.35).

If recent statistics can be believed, meanwhile, victory is the last thing that anyone with championship ambitions should be hoping for. In the last decade, not a single Jim Ford winner has even made the frame in the Gold Cup.

A rather better guide to Festival prospects in recent years has been the Kingwell Hurdle, which has been won by two subsequent Champion Hurdle winners (Kribensis and Alderbrook) in the last six runnings. But not this afternoon, it seems, since Zabadi and Just Little are the only runners who rate even a passing mentinn in the ante-post betting. Of the two, Just Little – going well when falling two out in the Cheltenham handicap hurdle won by Space Trucker last November – is by far the most interesting.

Richards: defies doubters

Dettori gives evidence at inquiry

The inquiry into the strike by 21 jockeys which forced the abandonment of racing at Haydock on 16 October should reach a conclusion this afternoon, after bearing almost two days of evidence from the riders and officials involved.

Lanfranco Dettori, Walter Swinburn and Willie Ryan were among 11 jockeys to appear at Portman Square yesterday, while Paul Barton and William Nunnerley, the stewards' secretaries at Haydock, also gave their side of the story. If found guilty of a breach of the Rules of Racing, the riders involved could face fines or suspension.

The Jockey Club has advised riders involved that while the hearing continues none of them should offer any comments on its progress. Michael Caulfield, the Jockeys Association secretary, said: "I'm involved in the inquiry and can't say a thing."

Rios in almost flawless display

Tennis

Marcelo Rios, the second seed, who is recovering from a leg injury, trounced the Romanian Adrian Voinea, 6-1, 6-4 in the first round of the European Community Championship in Antwerp yesterday.

Rios, the world No 6, had been forced tn withdraw in the second set nf his final against Sweden's Thomas Enqvist in Marseilles last Sunday because of a strained quadriceps muscle. But the Chilean was declared fit to play in Belgium after treatment by a physiotherapist and produced near flawless tennis in the first set of a match which featured some breathtaking rallies.

Rios fell 2-0 behind early in the second set, but quickly fought back to take the match in just over one hour. Rios is now the favourite in Antwerp after Goran Ivanisevic, the top seed, pulled out of the tournament late on Tuesday with tendinitis in his shoulder. The Croat withdrew nnly bours after the fourth seed, Boric Becker, had dropped nut of the event with n wrist injury.

Mark Philippoussis, the bright hope of Australian tennis, returned to the fray for the first time in nearly four months at the St Jude tournament in Memphis on Tuesday, but it was a short-lived comeback.

The 10th-seeded Philippoussis, who received a first-round bye, was unable to adjust to match play after his lengthy lay-off and fell in a second-round match to the unseeded Magnus Norman, 6-4, 7-5.

The Australian had been unfit since the Paris Open last October with tendinitis in his right forearm.

Easy victory helps Army to prepare

Hockey

BILL COLWILL

Army	3
Cambridge University	1

The Army, building up for next month's Inter-Services tournament at Portsmouth, had a comfortable 3-1 win against Cambridge University at a blustery Milton Keynes National Stadium yesterday, to add to last week's 2-1 victory over Oxford, but it took them until a minute before the interval to break through the student ranks.

After Cambridge's goalkeeper, Pawel Piotrowicz, had denied the soldiers an early goal, Cambridge took control of midfield but with Southgate's Peter Boxell in commanding form at the back and the Atlanta Olympian Simon Hazlitt marshalling the Army midfield, it seemed military goals would come.

The first arrived after a long ball from Bryan Hemmings found James Boyce wide on the right, and be made for the circle and lashed a powerful shot high into the net. Four minutes into the second half Paul Tapp deflected in the Army's second goal at a needlessly conceded free hit on the edge of the circle. Hazlitt then converted the Army's fifth penalty corner for a 3-0 lead.

With five minutes remaining John Mayer pulled a goal back for the students and two minutes later put a penalty stroke high and wide tn end their fightback.

Army: Maj J Wiliams; Maj P Boxell; S/Sgt K Edwards, Capt O Evans, Capt M Thomas; Capt A Nye, 2nd Lt P Tapp (capt), Capt S Hazlitt, Lt N Colman; S/Sgt I Bowry, 2nd Lt J Boyce. Substitute used: Capt B Hemmings.

Cambridge University: P Piotrowicz; I Sands; O Churton, O Brew, I Bateman; J Mayer, T Gilman, M Meredith (capt), T Parr; G Playfair, C Mannell. Substitutes used: C Lipscombe, D Heathcote.

Umpires: B Matson (CSHUA) and N Cherrill (ECHUA).

WINCANTON

HYPERION

2.05 Indian Jockey
2.35 Coome Hill
3.05 BLAST FREEZE (nap)
3.35 Harvest View (nb)
4.05 Give And Take
4.35 I Recall
5.05 Noisy Miner

GOING: Good. ■ Right-hand, galloping course. Run-in of 300yd.

■ Course is north east of town on B3081. Templecombe station (service from London, Waterloo) 4m. ADMISSION: Members £14 (Junior Members, 17 to 22 years, £7); Tattersalls £9; Course (and cars to course) £4. (Under-16s free into all enclosures). CAR PARK: Free.

SIS

LEADING TRAINERS WITH RUNNERS: M C Pipe – 39 winners from 139 runners Give a success ratio of 28.1% and a profit to a £1 level stake of £17.71. P F Nicholls – 21 winners, 124 runners, 16.9%, -£23.40; P J Hobbs – 19 winners, 117 runners, 16.2%, -£10.19; Mrs J Pitman – 16 winners, 68 runners, 23.5%, +£43.28.

LEADING JOCKEYS: R Dunwoody – 30 winners, 129 rides, 23.3%, -£34.57; J Osborne – 16 winners, 68 runners, 23.1%, +£4.40; A P McCoy – 13 winners, 72 rides, 18.1%, -£28.09; C Maude – 8 winners, 66 rides, 13.6%, -£34.24.

BLINKERED FIRST TIME: Five To Seven (3.35), Saafi (4.35), Mac'smyuncle (5.05).

WINNERS IN THE LAST SEVEN DAYS: None. LONG-DISTANCE RUNNERS: Unguided Missile (3.35) has been sent 297 miles by G Richards from Greystoke, Cumbria.

2.05 GEORGIE NEWALL NOVICE CHASE (CLASS D) £5,000 added 2m

1	31212P	SCOTTISH BAMBI (25) (D) (William J Kelly) P Webber 9 12 0	J Osborne
2	611-FP2	AFTER THE FOX (14) (Mrs Robert Blackburn) N Hawke 10 11 2	G Upton
3	12813U-	HOLD YOUR RANKS (298) (Mrs C Lowe) R Frost 10 11 2	J Frost
4	00-0PP	MR GOONHILLY (22) (Mrs Richard Stanley) R Alner 7 11 2	A Thornton
5	01-P22P	ROBINS PRIDE (13) (Weeks, Staple, Littlejohns) C Popham 7 11 2	T Dascombe (3)
6	2/12315-	SHANKAR (329) (International Plywood Plc) D Nicholson 6 11 2	A Maguire
7	1/PP/-F	SWAHILI RUN (10) (S Gallagher) J O'Shea 9 11 2	Michael Brennan (3)
8	113051	INDIAN JOCKEY (20) (D) (Stuart M Mercer) M Pipe 5 10 13	N Williamson

– 8 declared –

BETTING: 6-4 Indian Jockey, 9-4 Shankar, 7-1 Robins Pride, 8-1 Scottish Bambi, 10-1 After The Fox, 16-1 Hold Your Ranks, 25-1 others

2.35 JIM FORD CHALLENGE CUP CHASE (CLASS B) £17,500 added 3m 1f 110yds

1	123-122	UNGUIDED MISSILE (33) (D) (BF) (D E Harrison) G Richards 9 11 8	R Dunwoody
2	1221-04	ALL FOR LUCK (12) (D) (B J Craig) M Pipe 12 11 2	C F Swan
3	86204	BOLSHIE BARON (15) (M H Weston) M Weston 8 11 2	Mr M Harris
4	2/1U23-1	CHERRYNUT (98) (Hunt & Co (Bournemouth) Ltd) P Nicholls 9 11 2	N Williamson
5	12-111F	COOME HILL (19) (CD) (BF) (Mrs Jill Dennis) W Dennis 8 11 2	J Osborne
6	1U	HANAKHAM (86) (CD) (BF) (M Brereton) R Hodges 8 11 2	B Powell
7	212-352	KADI (GER) (19) (J E Brown) D Nicholson 8 11 2	A Maguire
8	1/U1211-	MAAMUR (USA) (345) (D) (Mrs A L Wood) Capt T Forster 9 11 2	A Thornton

– 8 declared –

BETTING: 5-4 Coome Hill, 7-2 Unguided Missile, 4-1 Maamur, 7-1 Kadi, 8-1 Cherrynut, 14-1 All For Luck, 16-1 others

FORM GUIDE

COOME HILL, a Hennessy winner who goes unpenalised, gets 6lb from Unguided Missile. This ground is expected to have the necessary dig to enable Coome Hill to deliver his best after his second-fence fall at Sandown. Still on course for the Gold Cup, Coome Hill remains a cracking prospect – and he has two course wins to his name. The mere presence of Unguided Missile so far away from his Greystoke stable will give him a strong following, but Coome Hill will have to blunder away his chance again for the Gordon Richards' horse to win. Unguided Missile does have his ground, but the form lines through Couldnt Be Better (tailed off when pulled up in the Hennessy) say Coome Hill is the better horse. Maamur progressed enough last season to beat Unguided Missile in the Ritz Club at Cheltenham and is now 4lb worse in for that seven-length win. Maamur has no record of winning when fresh and this gelding would dearly love the ground softer. Selection: COOME HILL

3.05 K. J. PIKE & SONS KINGWELL HURDLE (CLASS A) (Grade 2) £25,000 added 2m

1	810006	DREAMS END (19) (CD) (T G Price) P Bowen 9 11 10	R Dunwoody
2	161-100	ZABADI (12) (D) (Lady Harris) D Nicholson 5 11 10	A Maguire
3	140-312	AMBLESIDE (19) (D) (BF) (B M Yin) Mrs S Williams 8 11 2	N Williamson
4	4	FLORID (USA) (19) (Lord Howard de Walden) C Brooks 8 11 2	G Bradley
5	113-353	GROUND NUT (19) (CD) (Mrs R L Haskins) R Buckler 7 11 2	B Powell
6	1011-13	POTENTATE (USA) (88) (D) (BF) (Jim Weeden) M Pipe 6 11 2	A P McCoy
7	50922-0	ROMANCER (12) (D) (M Archer & M J Broadhurst) N Twiston-Davies 6 11 2	C Llewellyn B
8	21103/-F	BLAST FREEZE (26) (D) (Pioneer Heat-Treatment) N Henderson 8 10 11	J R Kavanagh
9	31311F	JUST LITTLE (96) (D) (Seamus O'Farrell) A O'Brien (M) 5 10 11	C F Swan

– 9 declared –

BETTING: 5-2 Just Little, 9-2 Romancer, 5-1 Zabadi, 6-1 Potentate, 7-1 Ground Nut, 8-1 Blast Freeze, Ambleside, 12-1 others

FORM GUIDE

There is going to be some real pace on here with ROMANCER, Ground Nut and Potentate all liking to kick on. The race will be set up for the likes of Zabadi and Irish raider Just Little, though it is not sure they are up to the task against their older rivals. Romancer ran in the top handicap won by Make A Stand at Newbury and, along with Zabadi, faced a stern test at the weights. Romancer was bypassed by stable jockey Carl Llewellyn then and this looks a more suitable race for the gelding, who lifted the Free Handicap Hurdle at Chepstow last year. Just Little has a real chance at the weights and already successful on these shores. To beat Mim-Lou-And at Cheltenham should not be overestimated, but the following day at Prestbury she was going like a train only to fall two out when in with a shout of topping Space Trucker. Unraced since that unlucky effort in November, Just Little is going to take the beating provided she has travelled over well enough. Zabadi has twice looked a bit special at Kempton, so he can be fancied with an 8lb penalty on this track. He had little chance at the weights at Newbury last time but he has beaten Urubande this term and the sharper course at Aintree last year enabled him to reverse Triumph Hurdle form with both Mistinguett and stablemate Hatta Breeze. Wincanton is the time to take a look at Ground Nut. He is fast and is an interesting prospect at decent odds meeting Dreams End on 8lb better terms compared with course running in November. Martin Pipe's Potentate is difficult to assess in this league after his novice and handicap wins, though he can easily be fancied to reverse Lingfield form with Ambleside on a stone better terms. Selection: ROMANCER

3.35 LADBROKE HANDICAP CHASE (CLASS D) £10,000 added 2m 5f

1	2F-2222	FIVE TO SEVEN (USA) (22) (D) (BF) (Two Plus Two) P Nicholls 8 11 10	R Dunwoody B
2	2565-30	THE CARROT MAN (10) (Mrs Jill Wadsworth) P Winkworth 8 11 0	J R Kavanagh
3	1612/13-	CHIEF JOSEPH (351) (J O'Gorman) N Twiston-Davies 10 10 6	C Llewellyn
4	1361F-1	HARVEST VIEW (12) (Dr P P Brown) C Brooks 7 10 7	G Bradley
5	2FP-244	MAESTRO PAUL (21) (D) (H T Pelham) J Gifford 11 10 3	L Aspell (3)
6	UP-52P6	SCOTONI (18) (D G & D J Robinson) R O'Sullivan 11 10 0	N Williamson
7	423443	CHANNEL PASTIME (14) (Mrs Sandra Worthington) D Burchell 13 10 0	Guy Lewis (3)

– 7 declared –

Minimum weight: 10st. True handicap weights: Scotoni 9st 13lb, Channel Pastime 9st 3lb.

BETTING: 7-4 Five To Seven, 9-4 Harvest View, 6-1 Chief Joseph, 7-1 Maestro Paul, 12-1 The Carrot Man, Scotoni, 14-1 Channel Pastime

FORM GUIDE

Harvest View looks a strong favourite here after a winning chasing debut from Guinda at Uttoxeter 12 days ago. That was also the mare's first run of the season, so she is going to be difficult to beat over this similar trip against mainly exposed handicappers. There is, however, the case of Five To Seven running in blinkers for the first time after some sound efforts against leniently weighted rivals such as Garrylough and Zambezi Spirit, and CHIEF JOSEPH having winning form when going fresh. Strangely enough, Chief Joseph is a mare, and possibly at decent value if the ground stays on the fast side. Norman Williamson on Scotoni is interesting, though the gelding has flopped twice since a good run against Duhallow Lodge at Taunton. The Carrot Man wants the ground to stay fast, but Maestro Paul would prefer the ground a lot softer. Selection: CHIEF JOSEPH

4.05 MERE MAIDEN HURDLE (CLASS E) £3,000 added to stakes 2m

1		ARTISTIC PLAN (Forum Racing) R Alner 5 11 5	B Powell
2	00-05	BOOZYS DREAM (14) (Gordon Legg) N Thomson 6 11 5	Guy Lewis (3)
3	6/-4	DORMY THREE (7) (P Slade) R Hodges 7 11 5	T Dascombe (3)
4		ELBAAS (USA) (L Pipe) R O'Sullivan 5 11 5	N Willington (7)
5		EMBANKMENT (Lady Tennant) N Henderson 7 11 5	Mr C Vigors (5)
6	03	FAIRY KNIGHT (77) (P & S Lever Partners) R Hannon 5 11 5	N Williamson
7		FREELINE FONTAINE (Irving Struel) N Henderson 5 11 5	J R Kavanagh
8	0	LANSTONIAN (7) (G F Edwards) R Edwards 8 11 5	Michael Brennan (3)
9	P	MOOR DUTCH (7) (Brian Seward) R Frost 6 11 5	J Frost
10	130	PROTOTYPE (27) (R G Holt) G Johnson Houghton 6 11 5	A Thornton
11		THE FLYING PHANTOM (P H Betts (Holdings) Ltd) M Tompkins 6 11 5	R Dunwoody
12	2	WELTON ARSENAL (7) (Business Forms Express) K Bishop 5 11 5	R Greene
13	6-	ZIDAC (345) (Brian Blackpool) P Makin 5 11 5	B Fenton
14	062-00	LOCH NA KEAL (70) (S Kimber) C Morlock 5 11 0	C Llewellyn
15		SPREAD THE WORD (Mrs Pam Pengelly) L G Cottrell 5 11 0	D Salter (5)
16		CRANDON BOULEVARD (Ms S Morris) Mrs J Pitman 4 10 9	J Osborne
17	3	GIVE AND TAKE (7) (Nelson, Newman and Mosant) M Pipe 4 10 9	A P McCoy
18	3	KINNESCASH (7) (D R James) P Bowen 4 10 6	A Maguire

– 18 declared –

BETTING: 5-2 The Flying Phantom, 3-1 Fairy Knight, 9-2 Embankment, 5-1 Give And Take, 7-1 Welton Arsenal, 10-1 Freeline Fontaine, 12-1 others

4.35 ILCHESTER HANDICAP HURDLE (CLASS F) £2,600 added 2m

1	405401	NASHVILLE STAR (USA) (13) (D) (Robin Mathew) R Mathew 8 11 10	A Thornton V
2	10/03-	TISSISAT (USA) (345) (D) (John Kirby) J Kirby 8 11 6	G Upton
3	0-21062	DONTDRESSFORDINNER (10) (D) (A G Fear) R Hodges 7 11 3	R Dunwoody
4	0/0231-0	LUCAYAN CAY (14) (CD) (Joe Cool Partnership) Mrs A Bowlby 8 11 2	B Powell
5	2P0-P0	ETHBAAT (USA) (82) (The Over The Bridge Partnership) M Heaton-Ellis 6 11 1	M Richards
6	104-006	NEVER SO BLUE (12) (D) (P J Bradley) P Bradley 8 11 1	Sophie Mitchell (5)
7	2-P5336	DAILY SPORT GIRL (10) (D) (B J Llewellyn) B Llewellyn 8 10 13	Mr J L Llewellyn
8	50-22P4	EL GRANDO (8) (M O Bunton) K Cunningham-Brown 7 10 11	N Williamson
9	121224	ALWAYS HAPPY (27) (D) (C R Fleet) Miss Gay Kelleway 4 10 11	A Maguire
10	F4/064-F	IMALIGHT (93) (R G Frost) R Frost 8 10 10	J Frost
11	2/3301-F	FANE PARK (28) (Mrs A E Baker) C Popham 9 10 10	G Tormey
12	PP/6P-P5	MRS JAWLEYFORD (USA) (10) (D) (C Smith) C Smith 8 10 8	M Ranger
13	2/P311/-	GLADYS EMMANUEL (703) (T E Pocock) R Pocock 10 10 6	P Henley (3)
14	0-004	I RECALL (13) (Mrs S A Coplestone) P Hayward 6 10 8	B Fenton
15	00/-3000	SAAFI (10) (A White) R Baker 6 10 3	T Dascombe (3) B
16	201P/-P2	CLASSIC PAL (USA) (27) (D) (P C Tory) N Mitchell 8 10 2	D Skyrme
17	05-4P65	MU-TADIL (80) (Mrs V W Jones) R Baker 5 10 0	V Slattery
18	660	IN CAHOOTS (84) (Duckhaven Stud) A Smith 4 10 0	Michael Brennan (3)
19	46/0/-0	CONCINNITY (USA) (20) (B Scriven) B Scriven 8 10 0	Mr A Holdsworth
20	24-0000	THE BREWER (28) (Roger Horler Partnership) J Tuck 5 10 0	R Bellamy

– 20 declared –

BETTING: 5-1 Dontdressfordinner, 6-1 Nashville Star, 8-1 I Recall, 10-1 Always Happy, Classic Pal, Daily Sport Girl, 12-1 others

5.05 GOLF COURSE STANDARD NH FLAT RACE (CLASS H) £1,500 added 2m

1		ACT IN TIME (Mrs G C McFerran) T George 5 11 4	C Hynes (7)
2	2	ARRANGE (243) (Julian Batchelor) J Batchelor 5 11 4	Mr S Walker (7)
3		CATHAY (Robert & Elizabeth Hitchins) Mrs J Pitman 5 11 4	Mr G Baines (7)
4		CHARLIE PIP (Michael Appleby) R Curtis 5 11 4	Mr M Appleby
5		FILSCOT (G F Beazley) W Turner 5 11 4	J Power (7)
6		GENERAL KILLINEY (D J Caro) D Caro 5 11 4	Mr A Phillips
7		GORMAN (Miss H Knight) Miss H Knight 5 11 4	P Henley (3)
8		MAC'SMYUNCLE (P A Tylor) R Frost 6 11 4	Mr A Holdsworth B
9		MOONRAKER'S MIRAGE (W I M Perry) D Elsworth 6 11 4	Mr N Moran (7)
10		NOISY MINER (Mrs R J Skan) D Nicholson 5 11 4	R Massey (3)
11		SALIX (Mrs O R Whigham) N Hawke 5 11 4	O Burrows (5)
12		TOM DIAMOND (Laurie Snook) L Snook 5 11 4	Michael Brennan (3)
13		TWO LORDS (W E Calsbrey) G Ham 5 11 4	G Tormey
14		WILD NATIVE (Hunt & Co (Bournemouth) Ltd) P Nicholls 5 11 4	L Cummins (7)
15	3	JIM'S QUEST (35) (Jim Weeden) P Hobbs 4 10 8	Mr S Durack (7)
16		RACKETBALL (Mrs S Tainton) N Twiston-Davies 4 10 6	L Suthern (7)
17		SPRUCE LODGE (Mrs W Jarrett) J King 4 10 6	Sophie Mitchell (5)
18		REDGRAVE WOLF (K Bishop) K Bishop 4 10 3	G Supple (7)

– 18 declared –

BETTING: 3-1 Noisy Miner, 4-1 Arrange, Racketball, 5-1 Cathay, 6-1 Jim's Quest, 10-1 Wild Native, 14-1 Gorman, 16-1 others

HYPERION'S TV TIPS

WINCANTON

2.05: Shankar won first time out last season, but INDIAN JOCKEY should make his fitness pay.

□□□

2.35: Unguided Missile has a stiff task conceding weight to this field. Kadi is the dark horse here and would be formidable if staying this distance, but COOME HILL looks best. He jumped superbly around this track before winning the Hennessy Gold Cup.

□□□

3.05: Ground Nut is reported to be in excellent fettle and will ensure a strong pace. That though should set up the race nicely for BLAST FREEZE, a mare who was travelling very well when falling at Doncaster last time. She is being aimed at the Coral Cup at Cheltenham.

□□□

3.35: Five To Seven has been runner-up four times already this season and looks set for the same berth again. HARVEST VIEW impressed when winning at Uttoxeter and should take this.

HUNTINGDON

2.50: SULAWESI shaped well at Kempton on her hurdles debut before disappointing at Warwick last time. She is back on a right-handed track today and may return to form. Kings Witness jumped poorly at Folkestone but that was a better contest than this.

□□□

3.20: Fine Harvest did not jump too well when the pressure was on last time, and the David Nicholson-trained RANDOM ASSAULT can take advantage.

RESULTS

FOLKESTONE

2.10: 1. MUSEUM (X Aizpuru) 8-1; 2. Dissolve 9-1; 3. Tathmin 11-1. 12 ran. 3-1 fav Theme Arena (4th). 11, ¾. (P Winkworth, Dunsfold). Tote: £9.70; £3.10, £3.90, £4.70. DF: £30.40. CSF: £81.04. Tricast: £757.68. Trio: £214.40.

2.40: 1. RARE SPREAD (A P McCoy) 9-4 fav; 2. Scorpion Bay 16-1; 3. Sprig Muslin 11-4. 14 ran. 16, 1. (M Pipe, Wellington). Tote: £3.40; £1.50, £12.40, £1.50. DF: £102.30. CSF: £44.05. Trio: £18.80. NRs: Rosheen Bridge & Vancouver Lad.

3.10: 1. BUCKLAND LAD (B Fenton) 15-8 fav; 2. Fenwick 13-2; 3. Retail Runner 4-1. 7 ran. 1¼, 2½. (D Grissell, Robertsbridge). Tote: £2.30; £1.20, £4.10. DF: £7.00. CSF: £12.89.

3.40: 1. KILLING TIME (D J Burchell) 14-1; 2. Parisian 16-1; 3. Precious Wonder 7-1. 13 ran. 9-4 fav Script. ½, 3. (D Burchell, Ebbw Vale). Tote: £15.70; £3.90, £12.00, £1.80. DF: £250.80. CSF: £224.00. Tricast: £1,590.76. Trio: £505.10. NRs: Annabel's Baby & Olmpet.

4.10: 1. TRIFAST LAD (Mr P Hacking) 11-10 fav; 2. Sands of Gold 12-1; 3. King High 33-1. 10 ran. 2½, 8. (M Roberts, Hailsham). Tote: £2.00; £1.10, £3.30, £20.40. DF: £20.00. CSF: £15.87. Trio: £243.40.

4.40: 1. MILLMOUNT (D Bridgwater) 5-1; 2. Ainsi Soit Il 3-1; 3. Roger's Pal 20-1. 8 ran. 11-4 fav August Twelfth (4th). 4, 18. (T McGovern, Haywards Heath). Tote: £6.00; £2.30, £1.60, £4.20. DF: £13.40. CSF: £20.28. Tricast: £259.57.

Jackpot: £14,680.20 (part won; pool of £18,608.81 to Wincanton today).

Placepot: £1,219.80. Quadpot: £128.40. Place 6: £555.03. Place 5: £87.65.

RICHARD EDMONDSON
NAP: Sir Dante
(Huntingdon 1.50)
NB: Ground Nut
(Wincanton 3.05)

WOLVERHAMPTON

2.00: 1. MYSTERIUM (T G McLaughlin) 25-1; 2. Sharpo Wassl 8-13 fav; 3. Quaitair Silver 14-1. 11 ran. Nk, 2½. (N Littmoden, Wolverhampton). Tote: £33.70; £4.30, £1.50, £6.60. DF: £37.20. CSF: £38.25. Trio: £140.20.

2.30: 1. DUKE VALENTINO (D Griffiths) 10-11 fav; 2. Jigsaw Boy 9-2; 3. Bogart 14-1. 5 ran. 3½, 2½. (R Hollinshead, Upper Longdon). Tote: £2.30; £1.10, £2.10. £3.10. DF: £6.70. CSF: £8.23.

3.00: 1. PUZZLEMENT (Dale Gibson) 7-2; 2. Globetrotter 9-2; 3. Pinchincha 100-30. 7 ran. 3-1 fav Mardrew (6th). 2½, 3. (C Brittain, Newmarket). Tote: £3.80; £2.00, £2.20. DF: £5.80. CSF: £20.31.

3.30: 1. LEADING SPIRIT (D Holland) 13-8 fav; 2. Nikita's Star 4-1; 3. Second Colours 8-1. 9 ran. 6, nk. (C Wall, Newmarket). Tote: £2.90; £1.10, £1.40, £3.40. DF: £7.90. CSF: £8.44. Tricast: £41.11. Trio: £29.30.

4.00: 1. BAILIEBOROUGH BOY (D Harrison) 3-1; 3. Zorba evens fav; 3. Riscatto 5-1. 8 ran. hd, 2½. (T Barron, Thirsk). Tote: £3.60; £1.90, £1.20. DF: £2.40. CSF: £7.17.

4.30: 1. THE HAPPY FOX (L Newton) 16-1; 2. Madrina 14-1; 3. Sing With The Band 20-1. 13 ran. 4-1 fav Antonias Melody. ¾, ¾. (B McMahon, Tamworth). Tote: £12.70; £3.00, £4.20, £9.50. DF: £115.80. CSF: £225.08. Tricast: £2,414.37. Trio: £515.70 (part won).

Quadpot: £196.30. Placepot: £770.40. Place 6: £223.52. Place 5: £151.25.

HUNTINGDON

HYPERION

1.50 Seabrook Lad
2.20 Knockaverry
2.50 Sulawesi
3.20 Random Assault
3.50 Sweet Mount
4.25 Mandys Mantino
4.55 Sherriffmuir

GOING: Good (Good to Soft patches).

■ Right-hand, level course. Run-in 200yds.

■ Racecourse is at junction of A1 and A604. Huntingdon railway station (service from London, King's Cross) is one mile away. ADMISSION: Members £12; Tattersalls £8; Course £4. New Tattersalls facilities in use. CAR PARK: Free.

SIS

■ LEADING TRAINERS WITH RUNNERS: J Gifford — 16 winners from 74 runners gives a success ratio of 21.6% and a loss to a £1 level stake of £0.18; D Nicholson — 12 winners, 52 runners, 23.1%, +£20.02; F Murphy — 12 winners, 98 runners, 12.2%, -£12.25; T Forster — 11 winners, 55 runners, 20.2%, -£24.65.

■ LEADING JOCKEYS: A Maguire — 30 winners, 107 rides, 18.7%, -£16.37; P Hide — 17 winners, 63 rides, 27.0%, +£22.87; R Dunwoody — 18 winners, 98 rides, 18.8%, -£28.80; N Williamson — 13 winners, 57 rides, 22.8%, -£2.27.

BLINKERED FIRST TIME: (12.30).

WINNERS IN THE LAST SEVEN DAYS: None.

LONG-DISTANCE RUNNERS: Shouldhavesaidno (3.50) has been sent 205 miles by T Hind from Lynton, Devon; Paula's Boy (4.55) sent 203 miles by D Bassett from Oakford, Devon.

1.50 UNIQUE CONSULTANTS NOVICE HANDICAP HURDLE (CLASS E) £3,500 added 2m 4f 110yds

1	F20	TOBY BROWN (16) (A Stennett) D Nicholson 4 11 10	R Johnson
2	P02-P	TORCH VERT (20) (Paul Green) N Waller 5 11 10	I Lawrence
3	00-0	MUSIC CLASS (13) (Mrs P Ebsbury) C Brooks 6 11 6	D Gallagher
4	01-0030	SIR DANTE (29) (Peter R Wilby) R Rowe 6 11 7	D O'Sullivan
5	03-00F	CADES BAY (19) (R D Russell) N Twiston-Davies 6 11 5	T Jenks
6	350-44P	OUR RAINBOW (96) (BF) (Dr Richard Hixson) Miss P Sly 5 11 4	M Brennan
7	563-0	FOREST MILL (8) (Non-Stop Promotions & Marketing) J Spearing 5 11 3	D Bridgwater
8	00-0	FRED JEFFREY (23) (L G Kimber) Andrew Turnell 6 11 2	L Harvey
9	005-4F0	SEABROOK LAD (22) (Seabrook Partners) M Wilkinson 6 11 2	W Marston
10	PF0-332	LADY HIGH SHERIFF (20) (Mrs M Ward-Thomas) Capt T Forster 7 11 1	S Wynne
11	200	TODD (USA) (23) (A H Harvey) A Harvey 6 11 0	J A McCarthy
12	P32005	RED LIGHT (28) (M O F Racing Partnership) J Jenkins 5 10 13	P Carberry B
13	335340	POSITIVO (66) (L Gilbert) Miss C Caroe 6 10 8	D Leahy
14	00/P3-60	BROWN AND MILD (37) (C W Cooper) Miss A Embiricos 6 10 4	K Gaule
15	F464	COME ON IN (19) (Ascot Park Owners Group) R Dickin 4 10 2	X Aizpuru (7)
16	03P-330	KATBALLOU (70) (A M Foulger) K Wingrove 6 10 0	Mr O McPhail (7)
17	5-5006	SCALLY HICKS (13) (T Walker) B Baugh 6 10 0	Gary Lyons

– 17 declared –

Minimum weight: 10st. True handicap weight: Katballou 9st 11lb, Scally Hicks 9st 11lb.

BETTING: 11-4 Toby Brown, 6-1 Music Class, 7-1 Sir Dante, 8-1 Forest Mill, Cades Bay, 10-1 Lady High Sheriff, 12-1 others

1996: No corresponding meeting

2.20 HORSELEY FEN HANDICAP CHASE (CLASS E) £4,075 added 3m

1	UF/3-U26	YEOMAN WARRIOR (21) (BF) (Mrs Heather Alwen) R Rowe 10 11 10	D O'Sullivan
2	3124/P-P	INVASION (13) (Lady Anne Bentinck) O Brennan 13 11 7	M Brennan
3	3321/-P6	CELTIC BARLE (27) (CD) (Mrs Irene Hodge) H Hodge 13 11 4	S McNeill
4	F12-0P0	KNOCKAVERRY (22) (D) (Mrs W Morrell) M Wilkinson 8 11 1	W Marston
5	42P/-P4P	MIGHTY FROLIC (28) (D) (Maurice E Pinto) Miss S Edwards 10 10 13	P Hide
6	4-2140P	SOLO GENT (7) (CD) (A A King) A Jones 8 10 12	S Curran
7	0563-F0	COOL RUNNER (13) (Gerard Nock) Mrs Susan Nock 7 10 10	Derek Byrne
8	F-32004	SUPPOSIN (31) (J Kemp) Mrs S Smith 9 10 8	Richard Guest
9	3-PP112	TIM SOLDIER (FR) (20) (Ken Dale) M Sowersby 10 10 7	R Supple
10	12267-PP	SHEELIN LAD (28) (Mrs T J McInnes Skinner) Mrs T J McInnes Skinner 9 10 4	D Fortt (3)
11	013-122	EASTERN RIVER (29) (BF) (Garnston Equine) Capt T Forster 11 10 4	S Wynne
12	33/-1PPP	GRIFFINS BAR (30) (M S Smith) Mrs P Sly 8 10 3	J Culloty B

– 12 declared –

BETTING: 3-1 Eastern River, 4-1 Tim Soldier, 5-1 Yeoman Warrior, 7-1 Supposin, 8-1 Solo Gent, 10-1 Cool Runner, 12-1 others

2.50 EQUITABLE HOUSE JUVENILE NOVICE HURDLE (CLASS C) £5,000 added 4YO 2m 110yds

1		CABALLUS (USA) (Saloman Racing) Mrs J Pitman 10 12	R Farrant
2	2	EXALTED (18) (Mrs Bryan Jenks) W Jenks 10 12	T Jenks
3	P	GULLIVER (20) (Paul Green) N Waller 10 12	I Lawrence B
4	4	KINGS WITNESS (USA) (21) (Jeffrey Hordle) P Nicholls 10 12	D Bridgwater
5	00P	MAGIC ROLE (19) (M J Ferguson) J Jenkins 10 12	P Carberry V
6	344	PARROT'S HILL (12) (BF) (Mark Tompkins Elite) M Tompkins 10 12	Richard Guest
7	6	SILVRETTA (19) (B & M McHugh Ltd Civil Engineering) J Gifford 10 7	P Hide
8	5F	SULAWESI (18) (Jack Joseph) N Twiston-Davies 10 7	C Maude

– 8 declared –

BETTING: 2-1 Kings Witness, 3-1 Exalted, 4-1 Caballus, 6-1 Sulawesi, 8-1 Parrot's Hill, 10-1 Silvretta, 25-1 others.

FORM GUIDE

If the ground turns softer, it is hard to judge which, if any, of the runners would perform, while there is also no certainty of a strong pace being set. Caballus raced only four times last season and was taken early to post in subsequent races after getting loose and bolting before his second intended race. But he is a big, lengthy sort who was tried over two miles on his final start in August and has been gelded for jumping. A half-brother to four winners, he could be much better at this game, but it is probably better staying with the ones with experience and the round-action. EXALTED likes easy ground and he was in a fairly competitive race at Warwick 16 days ago when second to Fitzwilliam. Exalted will have no trouble winning a race on that evidence and can probably improve, but Kings Witness was tried twice in Listed class on the Flat when trained by Willie Haggas and put in a promising first run over hurdles when fourth to Shadow Leader in a competitive race at Folkestone. He might be the one with the best turn of foot if the pace is modest but further rain might put him at a disadvantage. Selection: EXALTED

3.20 LONGWOOD FEN HANDICAP CHASE (CLASS D) £6,000 added 2m 110yds

1	312243	THUMBS UP (6) (D) (Mrs B Taylor) R McCourt 11 12 0	R Hobson (7)
2	061-344	RANDOM ASSAULT (NZ) (28) (D) (The Random Lot) D Nicholson 8 12 0	R Johnson
3	1/U-1F12	FINE HARVEST (34) (CD) (Miss A Shirley-Priest) J Spearing 11 11 11	T J Murphy
4	2214U1	NEWLANDS-GENERAL (28) (D) (C Murphy) P Nicholls 11 11 7	P Carberry
5	113322	REGAL ROMPER (18) (D) (BF) (Mrs S Smith) Mrs S Smith 8 11 0	Richard Guest
6	2-11315	EASTERN MAGIC (13) (D) (Mrs Christine Smart) G Barnett 9 10 8	D Bridgwater
7	22-4624	LOWAWATHA (113) (D) (Mrs E H Heath) Mrs E Heath 8 10 2	K Gaule

– 7 declared –

BETTING: 9-4 Fine Harvest, 3-1 Eastern Magic, 9-2 Newlands-General, 6-1 Random Assault, 7-1 Regal Romper, 8-1 Thumbs Up, 14-1 Lowawatha

FORM GUIDE

Most of these like to dominate and have also shown a preference for good or fast ground, so it is not an easy race to analyse, but EASTERN MAGIC was in touch when blundering his chance away at the ninth fence in Mister Oddy's Newbury handicap last time and preceded that with a decent win from Weaver George and Monymen at Wetherby. He remains weighted with every chance and a big danger has been removed now that Paul Nicholls has declared Newlands-General a doubtful runner. Thumbs Up is something of a fading force, but he cannot be ruled out, while Random Assault, could go well if he refrains from taking too strong a tug. Fine Harvest has a great chance if the ground does not beat him and has already won three times over the course and distance. Selection: EASTERN MAGIC

3.50 PIDLEY FEN MARES ONLY MAIDEN HURDLE (CLASS E) £2,925 added 2m 110yds

1	0/00-5	ANNIE RUTH (20) (Mrs Elizabeth Bebb) Mrs J Pitman 6 11 5	R Farrant
2	30-338	ARDRINA (20) (BF) (L G M Racing) F Murphy 8 11 5	P Carberry
3	P	BALLY WONDER (21) (Mrs E H Heath) Mrs E Heath 5 11 5	K Gaule
4	5/-	CALLERMINE (577) (Miss H Day) Miss H Day 8 11 5	M Foster
5	284	DERRING FLOSS (12) (Mrs R Wornall) J Pickering 7 11 5	Miss J Wormall (7)
6	5/-0	DIAMOND TIME (13) (Mrs E A Bevan) Capt T Forster 6 11 5	S Wynne
7	00	LUCRATIVE PERK (23) (Eddie Wilkinson) Miss C Caroe 5 11 5	D Leahy
8	0006	MISTRESS TUDOR (13) (Mrs J M I Ockleston) S Mellor 6 11 5	N Mann
9	00-00	MOLLIE SILVERS (23) (J K S Cresswell) J Cresswell 5 11 5	N T Egan (7) V
10	114F	MRS EM (20) (BF) (G Z Mizel) P Nicholls 5 11 5	R Johnson
11	25-133	NISHAMIRA (12) (BF) (M P Burke Developments Limited) T D Barron 5 11 5	D Gallagher
12	P	OUR EMMA (10) (Jack Joseph) J Joseph 6 11 5	W Marston
13		RING FOR ROSIE (T F F Nixon) Capt T Forster 6 11 5	J Culloty
14	P	SHOULDHAVESAIDNO (29) (Philip Haslam) T Hind 6 11 5	D O'Sullivan
15	00	SKIP TO SOMERFIELD (12) (J Senior) B Rothwell 5 11 5	A S Smith
16	0	SLACK ALICE (31) (Mrs M Sheila Spearing) J Spearing 6 11 5	T J Murphy
17	240	SUPREME TROGLODYTE (29) (The Trogs) C Morlock 5 11 5	D Fortt (3)
18	00	SWEET MOUNT (35) (Steve Barry) N Twiston-Davies 5 11 5	C Maude
19	265	BELMARITA (19) (G A Hubbard) G Hubbard 4 10 9	Richard Guest
20		SUMMER PRINCESS (Pete Dayton) G Fierro 4 10 9	R Farrant
21	53	TAKEAMEMO (16) (Sherwood Partnership Owners Club) O Sherwood 4 10 9	J A McCarthy
22	2	THREESOCKS (9) (K H Burke) B Smart 4 10 9	I Lawrence

– 22 declared –

BETTING: 9-4 Mrs Em, 7-2 Nishamira, 4-1 Takeamemo, 6-1 Belmarita, 10-1 Supreme Troglodyte, 12-1 Sweet Mount, Ring For Rosie, 16-1 others

4.25 EUXIMOOR FEN NOVICE CHASE (CLASS E) £4,075 added 2m 4f 110yds

1	U2-1412	SECOND CALL (21) (BF) (J H Day) Capt T Forster 8 11 10	S Wynne
2	2/10P-P5	BUCKET OF GOLD (13) (Mrs F O McInnes Skinner) O Brennan 7 11 3	M Brennan
3	0-2156P	DREAM LEADER (22) (Mike Roberts) M Roberts 7 11 3	J Railton
4	05F0/-22	FRAZER ISLAND (21) (Dr B Alexander) R Rowe 8 11 3	D O'Sullivan
5	11-1123	MANDYS MANTINO (33) (John Plackett) J Gifford 7 11 3	P Hide
6	/PP/F0-	THE ELOPER (396) (Miss E M V England) Miss E England 6 11 3	Derek Byrne
7	/PP/-0P	PANDORA'S PRIZE (3) (Mrs P Jones) J Spearing 11 10 12	T J Murphy

– 7 declared –

BETTING: 4-5 Mandys Mantino, 9-4 Second Call, 6-1 Frazer Island, 10-1 Bucket of Gold, 12-1 Dream Leader, 33-1 Pandora's Prize, 50-1 The Eloper

4.55 WIMBLINGTON FEN AMATEUR RIDERS HANDICAP HURDLE (CLASS E) £2,925 added 2m 110yds

1	110-P01	SHERIFFMUIR (9) (D) (J J W Wadham) Mrs L Wadham 8 12 3 (7ex)	Mr P Scott (7)
2	121261	WILLY STAR (BEL) (14) (CD) (Mrs S Smith) Mrs S Smith 7 11 8	Mr E Babington (7)
3	00/P2-04	BIGWHEEL BILL (14) (Mrs D Stedman) J Jenkins 8 10 4	Mr C Bonner (5)
4	12-U5FP	HALHAM TARN (10) (D) (H J Manners) H Manners 7 10 0	Miss A Dudley (7)
5	0/05PU-	PAULA'S BOY (318) (D F Bassett) D Bassett 7 10 0	Miss K Di Marte (7)
6	3240-	ALKA INTERNATIONAL (455) (Paul Townsley) Mrs P Townsley 5 10 0	Miss C Townsley (7)
7	06-0005	BIYA (64) (D McCain) D McCain 5 10 0	Mr G Lake (7)
8	0/PPP-	SILENT SOVEREIGN (456) (Gareth Dowdell) P Clarke 8 10 0	Mr P Clarke (7) B

– 8 declared –

Minimum weight: 10st. True handicap weight: Halham Tarn 9st 13lb, Paula's Boy 9st 10lb, Alka International 9st 5lb, Biya 9st 1lb, Silent Sovereign 7st 13lb.

BETTING: 11-10 Sheriffmuir, 3-1 Willy Star, 4-1 Bigwheel Bill, 12-1 Biya, 14-1 Alka International, 16-1 Halham Tarn, 20-1 others

LINGFIELD

HYPERION

2.15 Colosse 2.45 Myttons Mistake 3.15 Rififi 3.45 Shanghai Lil 4.15 Perang Polly 4.45 Plan For Profit

GOING: Standard.

STALLS: 5f – outside; rest – inside.

DRAW ADVANTAGE: Low in sprints.

■ Equitrack surface; left-hand, sharp undulating course.

■ Course is SE of town on B2028. Lingfield station (served by London, Victoria) adjoins course. ADMISSION: One Enclosure £9. CAR PARK: Club £3; remainder free.

SIS

BLINKERED FIRST TIME: None.

WINNERS IN THE LAST SEVEN DAYS: Rififi (3.15) won at Lingfield on Saturday.

LONG-DISTANCE RUNNERS: Sally Armstrong (3.45) has been sent 270 miles by C Thornton from Middleham, North Yorkshire; Imp Express (3.15) sent 270 miles by G M Moore from Middleham, North Yorkshire; Plan For Profit (4.45) sent 270 miles by M Johnston from Middleham, North Yorkshire; Colosse (2.15) & Agent (4.15) sent 258 miles by J L Eyre from Sutton Bank, North Yorkshire; Double Oscar (2.45) sent 264 miles by D Nicholls from Sessay, North Yorkshire.

2.15 BARNABY RUDGE CLAIMING STAKES (CLASS F) £3,300 added 1m 4f

1	103-112	PERSIAN CONQUEST (15) (CD) R Ingram 5 9 3	S Sanders 2 B
2	000040-	YELLOW DRAGON (120) B Pearce 4 8 12	G Gallagher (7) 1
3	2560-00	CARROLLS MARC (2) (CD) C Murray 9 8 11	M Tebbutt 3
4	006-00	PYRRHIC DANCE (9) M Haynes 7 8 11	G Bardwell 5
5	3600/-	BEDOUIN PRINCE (1362) (D) Mrs L Stubbs 10 8 9	D Holland 6
6	0620-02	COLOSSE (12) (CD) J L Eyre 5 8 4	R Ffrench (7) 4

– 6 declared –

BETTING: 9-11 Persian Conquest, 5-2 Colosse, 8-1 Carrolls Marc, 10-1 Yellow Dragon, 16-1 Bedouin Prince, Pyrrhic Dance

2.45 BLEAK HOUSE SELLING STAKES (CLASS G) £2,875 added 6f

1	602044	DOUBLE OSCAR (7) (D) D Nicholls 4 9 7	Alex Greaves 3 B
2	0-00336	FEATHERSTONE LANE (7) Miss L Siddall 6 8 7	T Siddall (7) 5 V
3	0000-44	JUSTINIANUS (21) (D) J Bridger 5 9 7	A Daly (5) 2
4	303-822	MYTTONS MISTAKE (17) A Bailey 4 9 7	S Sanders 7
5	00800-0	RESPECTABLE JONES (30) (CD) R Hollinshead 11 8 7	D Griffiths (5) 4 B
6	65-0040	FANCY DESIGN (24) P Mitchell 4 9 2	A Clark 1
7	60010-0	NEWINGTON BUTTS (27) (CD) K McAuliffe 7 8 2	D Holland R E

– 7 declared –

BETTING: 7-4 Myttons Mistake, 7-2 Double Oscar, 4-1 Featherstone Lane, 7-1 Newington Butts, 8-1 Justinianus, 10-1 Respectable Jones, 16-1 Fancy Design

3.15 GREAT EXPECTATIONS HANDICAP (CLASS E) £4,025 added 5f

1	00041-6	MASTER OF PASSION (43) (CD) (BF) J Eustace 8 10 0	D Sweeney (5) 4
2	0/0540-1	RIFIFI (6) (CD) R Ingram 4 9 11 (7ex)	S Whitworth 9
3	40-0120	LORD SKY (16) (C) (D) (BF) A Bailey 6 9 10	S Sanders 2
4	113056-	BOWCLIFFE GRANGE (176) (CD) D Chapman 5 8 8	A Culhane 6
5	50-5215	IVORY'S GRAB HIRE (7) (CD) K Ivory 4 8 5	D Biggs 6 R
6	0-00636	IMP EXPRESS (14) (D) (BF) G Moore 4 7 12	N Carlisle 10 R
7	0000-00	RENNYHOLME (15) (D) J Hetherton 6 7 11	N Adams 1 B
8	00-5242	ALLSTARS DANCER (14) T J Naughton 4 7 10	G Bardwell 8
9	065543	SUPERLAO (BEL) (7) (D) J Bridger 5 7 10	R Mullen (5) 3
10	0-05655	LOGIE PERT LAD (5) J Bridger 5 7 10	F Norton 7

– 10 declared –

Minimum weight: 7st 10lb. True handicap weights: Allstars Dancer 7st 9lb, Superlao 7st 5lb, Logie Pert Lad 6st 11lb.

BETTING: 9-2 Ivory's Grab Hire, 5-1 Rififi, Allstars Dancer, Lord Sky, 11-2 Superlao, 6-1 Master of Passion, 7-1 Imp Express, 14-1 others

3.45 DAVID COPPERFIELD FILLIES' HANDICAP (CLASS E) £4,025 added 1m 2f

1	1230-00	TEA PARTY (22) K Cunningham-Brown 4 10 0	D Holland 8
2	420640-	MIMOSA (71) S Dow 4 9 5	A Daly (5) 10
3	32-3130	TALLULAH BELLE (22) N Littmoden 4 9 2	T G McLaughlin 4
4	0013-12	SHANGHAI LIL (21) (C) M Fetherston-Godley 5 8 1	F Norton 7
5	4022-32	PASSAGE CREEPING (23) S Dow 4 8 1	S Sanders 9 E
6	0410-05	ABSOLUTELYSTUNNING (21) (CD) Mrs Barbara Waring 4 8 5	W Ryan 8
7	0-05	SALLY ARMSTRONG (47) C Thornton 4 8 4	S Drowne 3
8	4510-00	TOTAL RACH (20) (CD) A Newcombe 5 8 0	N Varley (3) 1 B
9	10002-0	MOGIN (44) T J Naughton 4 7 13	G Bardwell 2
10	0046-25	QUEENS STROLLER (13) R Peacock 6 7 10	J Bramhill (5) 5

– 10 declared –

Minimum weight: 7st 10lb. True handicap weight: Queens Stroller 7st 4lb.

BETTING: 9-4 Shanghai Lil, 5-1 Passage Creeping, 6-1 Tea Party, Tallulah Belle, 8-1 Mimosa, 10-1 Absolutelystunning, 12-1 others

4.15 HARD TIMES MAIDEN STAKES (CLASS D) £4,900 added 7f

1	080223-	AGENT (64) J L Eyre 4 8 10	Dean McKeown 2
2	3-5	MAGAZINE GAP (18) Pat Mitchell 4 9 10	Amanda Sanders (5) 5
3	000/-0	LADY WESTBURY (6) P Rachens 6 9 5	S Drowne R
4	4P-2	PERANG POLLY (38) Lord Huntingdon 5 8 5	D Harrison 1
5	0/632-0	ZELAYA (22) (BF) G L Moore 4 8 5	F Norton 4
6		ALAGNA S Williams 3 8 2	J Tate 3

– 6 declared –

BETTING: 6-4 Agent, 7-4 Perang Polly, 5-1 Magazine Gap, 7-1 Zelaya, 8-1 Alagna, 33-1 Lady Westbury

4.45 NICHOLAS NICKLEBY HANDICAP (CLASS D) £4,900 added 3YO 7f

1	32-0114	COUNTLESS TIMES (14) (C) W Muir 9 7	J Wilkinson (7) 4
2	221-421	THE WYANDOTTE INN (22) (C) R Hollinshead 8 7	F Lynch (3) 6
3	6542-52	PLAN FOR PROFIT (15) (BF) M Johnston 9 7	D Holland 6
4	04160-0	A BREEZE (22) D Morris 9 3	N Day 8
5	540023-	NOBLE HERO (86) J Sheehan 8 11	S Drowne 2
6	06106-2	SWIFT (7) M Polglase 8 4	R Ffrench (7) 3
7	30105-4	ABSTONE QUEEN (14) (D) P Evans 7 12	D Wright 1 V
8	06-3	KAYZEE (21) S Dow 7 10	R Mullen (5) 7

– 8 declared –

Minimum weight: 7st 10lb. True handicap weight: Kayzee 7st 8lb.

BETTING: 3-1 Plan For Profit, 7-2 The Wyandotte Inn, 4-1 Swift, 9-2 Countless Times, 7-1 Kayzee, Abstone Queen, 12-1 others

England enhance Ashes ambition

Series victory builds morale

Derek Pringle, in Christchurch, finds Atherton's men a rejuvenated team

The transformation probably started aboard QF103, the flight that took a dispirited England out of Africa and oo to New Zealand for the secood leg of their winter tour. It is well know that Michael Atherton enjoys a good book, but for much of that journey the England captain had his oose deep into a magazine article about cricket, called "The Australian Way".

In fact, winning is the only way in Australia, and the lucky country does oot tolerate hludgers and losers for more than a tick. It is a philosopby that appears to have been fully digested by Atherton, and it is surely oo coincidence that England's cricket in New Zealand has looked far barder and incisive thao it did in Zimbabwe.

However, there are other factors at play too, though each, no matter how oblique, will eventually have its say on performance. Quite simply, England did not like Zimbabwe and it showed in their cricket. It was often cautious and begrudging, a combination not enhanced by the ludicrous pronouocements made occasionally by David Lloyd, the coach.

Perhaps as an island race, England felt uncomfortable and lost on the vast continent and it was noticeable that their demeanour picked up the instant they came back into contact with those familiar touchstones of modern consumer culture: namely pizzas, burgers and karioke hars.

Their opponents were different as well. While Zimbabwe were tenacious and played above expectation, particularly in the one-dayers, New Zealand were disjointed, disappointing and played like a country where all the predators are extinct. In fact, some critics felt New Zealand so poor that they would be incapable of finishing in the top 10 of the County Championship.

Atherton, however, insists that the only differeoce between the two sectors was victory. Perhaps he is right, and one cannot help but wonder that, had the tour itinerary beeo reversed, Zimbabwe would have been summarily dispatched as New Zealand have been over the past month.

For Atherton, New Zealand has been the land of laughter and forgetting, and the last two wins have provided nothing but sweet relief from the welter of criticism he and his side attracted aroumd Christmas and the New Year.

The triumphs have also more or less guaranteed his immediate future as England captain, a position not really in doubt after the recent eulogies from England Cricket Board bigwigs such as Lord MacLaurin and Bob Bennett.

The terseness present in Zimbabwe has gone too (another MacLaurin directive) and it was typical of Atherton's disregard for social status that be and a handful of team-mates spent the night celebrating England's latest win with the Barmy Army, who serenaded them with their own – as well as Oasis's – catchy songs.

His batting form, scratchy and appalling in Africa, is back to its belligerent best. The figures, for once, are revealing, and although Atherton ended the five Tests with 359 runs at an average of 51.28, be scored only 34 runs over four Test innings in Zimbabwe.

It was a batting average only bettered by Alec Stewart (71.14) and John Crawley (55.4), the most consistently in-form players of the tour. Stewart, apart from the last Test in Christchurch, was in stupendous form throughout, hitting centuries in both Harare and Auckland.

Likewise Crawley, who although a centurion in Bulalwayo, will probably be best remembered for his cool bead and sturdy bat on that captivating last afternooo at Lancaster Park when be and Dominic Cork inched England past that historic fourth-innings total of 305.

Inevitably there were casualties, too, and Nick Knight ended the series with his technique as well as his Test match future in disarray. Averaging almost 50 after Zimbabwe, he has barely scraped double figures here, his judgemeot over the whereabouts of his off-stump almost as badly shot as his confidence. It was the same problem Graham Thorpe experienced earlier in the tour and one that can only be overcomie by staying put and grinding out an innings, as the Surrey left-hander did in Harare.

When Knight did not have a bat in his hand, however, his contributions were never less than outstanding and his catching at second slip was little short of sensational. In truth, England's fielding remained excellent throughout the winter and credit for that must go to Lloyd, who worked tirelessly at improving it.

The bowling, so often England's weakness when they travel abroad, has at last begun to look and work like a unit. That did oot happen until the second Test, when Andy Caddick came into the side instead of Alan Mullally, and Atherton, deciding to pick his five best bowlers irrespective of the conditions, played both spinners.

Of those, Robert Croft has been by far the more urgent, his off-spin, bowled down an aggressive off-stump line, constantly asking question of the batsman. In all, his 18 wickets cost him around 19 runs apiece, and along with his breezy bonhomie, made him the find of the tour.

It was not an accolade that one could pin on his spinning partner, Phil Tufnell, who once again courted cootroversy after allegations of cannabis smoking surfaced in Christchurch. Although vebemently denied, Tufnell is not the same spinner who bowled England to victory bere five years ago.

The pace department had its problems too, and with Cork either abseot or quiet and Caddick not playing until Wellington, it was left to Darren Gough to fill the fast-bowling void. It was a role he undertook with his usual blend of wayward brilliance and bombast. Fortunately he hlew hotter than most, taking 26 wickets (19 of them in New Zealand), and his gameoess for the challenge, particularly with the older ball, made him Atherton's most important weapon.

Nevertheless, England are still too inconsistent with both bat and ball, and although their lapses here were overcome by some hearteningly resilieot cricket, the likes of Australia will not allow them to get back on their feet ooce they have stumbled.

That said, Steve Rixon, New Zealand's Australian coach, reckons England can compete with Australia, so long as Atherton and Stewart are playing somewhere near their best.

High fives: England are jubilant as the emergent Robert Croft claims the wicket of Simon Doull in Christchurch Photograph: Clive Mason/Allsport

Consistent selection fosters unity

Robert Winder believes the tourists' rising fortunes have benefited from allowing players to regain form – but Australia pose a far tougher challenge

England's pleasing and impressive win in New Zealand seems to have provoked, with almost indecent haste, a feeling that next summer's Ashes are as good as in the bag.

Even the players must have chuckled over yesterday's headlines. Only a fortnight ago, having failed for four hours to dislodge the world's worst Test batsman, they were a laughing stock. Now, helped by an unsighted umpire and a couple of dropped catches, they are world-beaters.

It might seem unsporting to sound a cool oote in the prevailing glee, but this could be a good time to urge caution. The truth is that there probably is not a single New Zealander who would get into the present Australian side.

Having said that, there really bave been some good points in the last few weeks. Some are tactical – it is clearly right to have Alec Stewart keeping wicket and playing a second spinner, and good news to have Andy Caddick back in the limelight. But, mainly, it is a managerial matter. For the first time in ages, England have shown some consistency in selection. Not long ago, Graham Thorpe would have had a tough job getting a game in New Zealand after his failures in Zimbabwe, but the team stood by him and he recovered his fine form with two centuries. The same could be said of Michael Atherton himself.

More important than any individual case, though, is the confident togetherness that bas been bred by a settled selection. Which is where the note of caution comes in. After years of little but trouble, England do look like a promising team. But to beat Australia they know they need to improve another notch – and the trouble is they probably won't bave time to.

Ideally, what would happen is that they would have a bit of disco-fun in the one-day series, and then bead home to rest and plan. But this is a fantasy. Before the players know it, they will be knee-deep in pre-season tours, tonking it about in the nets, and enduring two-sweater days in damp, empty grounds.

Just think what they could be doing. Caddick could be figuring out a way to avoid sending five consecutive balls down the leg side (except on purpoec), and Darren Gough could be learning how to add accuracy to his slipperiness. But they won't be – they will be taking wickets against Durham and Sussex, on seaming pitches.

The two left-handers, Nick Knight and Thorpe, could be devising a response to bouncy leg-spin from the rough outside their off stump. But they won't be – they will be cutting and pulling medium-pacers for a month before they run into Warne, and then, as likely as not, Shane will stop play.

There are plenty of grounds for optimism – but look out for these warning signs. The season will begin, John Crawley will be out of touch, while Graeme Hick and Robin Smith are duffing up all-comers, inspiring a clamour for their return. Stewart will fail in the one-dayers, reviving the argument about whether Jack Russell should keep wicket. The call will go up for an all-rounder, and someone will scurry off to look for Craig White's phone number. For Headingley they will decide they need four seamers, and seod for Mark Ilott, who took 7 for 40 against Derbyshire last weekend. There will be a suspicion that Devon Malcolm must play at The Oval. Before we know it, the team won't be a team any more.

Wouldn't it be fine if Atherton could fly home tomorrow, skipping the five ooe-dayers and giving himself time to think and plot, time to find a way to be a less deadpan, more invigorating, leader?

It would be good for Nasser Hussain to be in charge in these merry frolics; and Athers himself would be able to start next seasoo afresh, and with his reputation high. Public disgrace, for him, is only a slog from a New Zealand tailender away.

He would probably go fishing, and and that would be fine, too. A week or so hunched in the rain beside some murky river, casting and waiting, casting and waiting, and he would been burning to get back on to a cricket field. A pity that's too much to hope for...

NEW ZEALAND v ENGLAND TEST AVERAGES

NEW ZEALAND

BATTING	M	I	No Runs	HS	Ave	100	50	C	S
D L Vettori	2	4	3	59	239no	59.00	0	0	1	0
S P Fleming	3	6	0	212	229	35.38	1	1	7	0
C L Cairns	3	6	0	208	67	34.66	0	3	0	0
N J Astle	3	6	1	172	102no	34.40	1	0	0	0
B A Pocock	3	6	0	182	70	30.33	0	2	1	0
S A Young	3	6	0	171	56	28.50	0	1	3	0
M J Horne	1	2	0	55	42	27.50	0	0	0	0
A C Parore	3	6	0	125	59	20.83	0	1	4	0
L K Germon	2	4	0	48	14	12.00	0	0	3	1
D N Patel	2	4	0	45	45	11.25	0	0	2	0
S B Doull	3	6	0	37	26	6.16	0	0	1	0
H T Davis	1	2	0	9	8	4.50	0	0	2	0
G I Allott	1	4	1	12	6no	4.00	0	0	1	0
J T C Vaughan	1	2	0	5	3	2.50	0	0	0	0
D K Morrison	1	2	2	20	14no	-	0	0	0	0

BOWLING	O	M	R	W	Ave	5W	10W	BB
D L Vettori	103.3	32	206	7	29.71	0	0	4-97
S B Doull	105.4	31	299	9	33.22	1	0	5-75
N J Astle	67	20	134	4	33.50	0	0	2-26
D K Morrison	24.4	4	104	3	34.66	0	0	3-10
G I Allott	61.4	11	197	5	39.40	0	0	4-74
D N Patel	68	16	151	3	50.33	0	0	2-92
J T C Vaughan	36	10	57	1	57.00	0	0	1-57
C L Cairns	52	11	148	2	73.00	0	0	1-12
H T Davis	39	8	93	1	93.00	0	0	1-50
B A Pocock	2	0	10	0	-	0	0	0-10

ENGLAND

BATTING	M	I	No Runs	HS	Ave	100	50	C	S
M A Atherton	3	4	1	325	118	108.33	1	2	1	0
A J Stewart	3	4	0	257	173	64.25	1	1	14	2
G P Thorpe	3	4	0	247	119	61.76	1	0	1	0
D G Cork	3	4	1	121	59	40.33	0	1	9	0
P C R Tufnell	3	3	2	38	19no	38.00	0	0	0	0
J P Crawley	3	4	1	111	58	37.00	0	1	1	0
N Hussain	3	4	0	117	64	29.25	0	1	6	0
A D Mullally	1	1	0	21	21	21.00	0	0	0	0
R D B Croft	2	2	0	31	31	15.50	0	0	2	0
N V Knight	3	4	0	56	29	14.00	0	0	9	0
A R Caddick	2	3	0	39	20	13.00	0	0	1	0
D Gough	3	3	0	20	18	6.66	0	0	0	0
C White	1	1	0	0	0	0.00	0	0	0	0

BOWLING	O	M	R	W	Ave	5W	10W	BB
R D B Croft	90.1	27	162	10	16.20	1	0	5-86
D Gough	127.2	31	361	19	19.00	1	0	5-90
A R Caddick	87.5	25	174	8	21.75	0	0	4-65
A D Mullally	53	22	102	3	34.00	0	0	2-47
P C R Tufnell	132	47	242	7	34.57	0	0	3-53
C White	25	5	77	2	38.50	0	0	2-61
D G Cork	96.5	21	300	7	42.85	0	0	3-98
G P Thorpe	1	1	0	0	-	0	0	0-0

Atherton demands one last big effort

Mike Atherton has stressed to his England players the importance of winning the one-day international series against New Zealand which now completes a long hard winter.

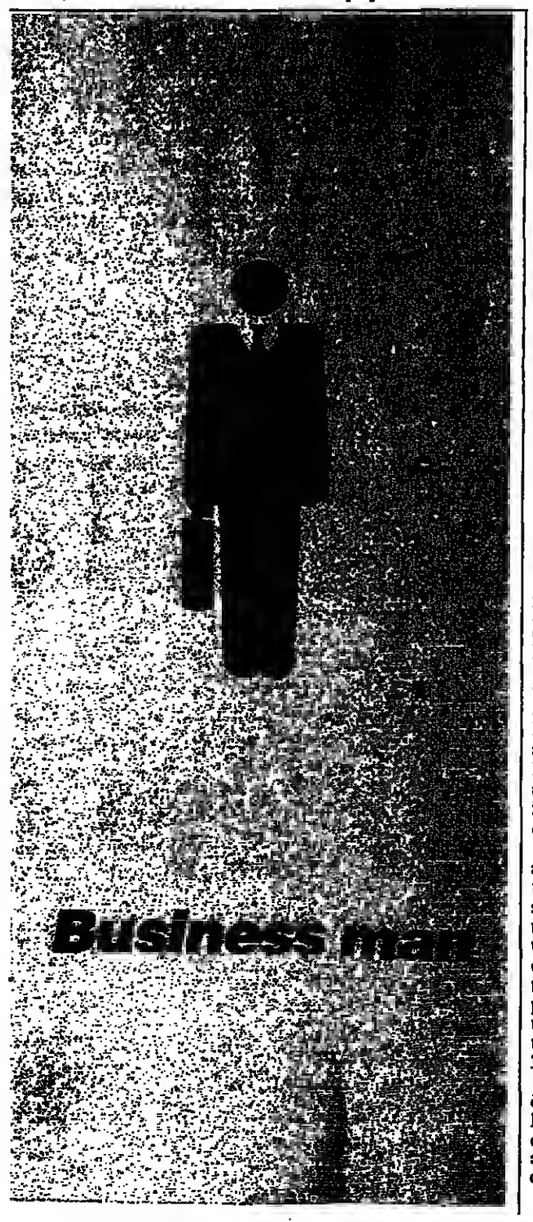
Athertoo does oot want his side to make the same mistakes as in South Africa 12 months ago, and in Zimbabwe earlier on this tour. England began their five-match series with a day-night international in Christchurch in the early hours of this morning – and Atherton said: "It's a similar situation to a year ago. We performed creditably in the Tests against South Africa and then we had a disastrous end to that tour by losing the one-dayers 6-1.

"In Zimbabwe a couple of months ago we lost the one-day series 3-0 and played very poorly," the England captain added. "I think we oeed to stress to the players the importance of finishing on a high note in New Zealand, despite our Test series success, because if we don't do well in these one-day games then they will be people's last memories of this winter. I don't think this trip deserves that kind of send-off.

"I maintain that in the Tests we have played outstanding cricket at times, but our one-day performances have been a different matter and we must put that right over the next couple of weeks."

Phil Tufnell's alleged pot-smoking antics in a Christchurcb bar took a new twist in the form of posters plastered all over town. The hastily-printed bills said: "Phil Tufnell must agree – Bardellis is Christchurch's Best Joint".

Tufnell, who strongly denied the allegations, did not play in today's one-day international, the left-arm spinner having been left out for purely tactical reasons.



Formula One in dock at Imola

Six men today stand accused of causing Ayrton Senna's death. **Derick Allsop** on the trial motor racing did not want

After almost three years, six individuals go on trial in Italy today over the death of Ayrton Senna. However, the entire Formula One fraternity will consider itself in the dock at Imola.

Frank Williams, the owner of the team for which Senna drove at the time of that fateful San Marino Grand Prix, his partner and technical director, Patrick Head, and chief designer, Adrian Newey, as well as three racing officials, are charged with culpable homicide.

The prosecution, armed with a 700-page report, will allege that faulty welding caused the steering column of Senna's car to break, sending him off the track at 192mph and into a concrete wall. Head maintains that the column was intact until impact. All the defendants deny the charges and it is conceivable that we may never know why the 34-year-old Brazilian was killed.

Only 24 bours before Senna's crash, Roland Ratzenberger, a little-known Austrian, died in qualifying. The inquiry decided against pressing charges in his case because of driver error.

Driver error in Senna's case seems unthinkable. Three times world champion, he was regarded by many as the greatest driver of all time. Formula One, as a body, has always contended Senna was simply unlucky, that accidents will happen and usually drivers walk away from accidents such as his.

Except that, in this instance, it is thought, the front, right wheel of the Williams whipped up and smashed into Senna's bead, inflicting fatal injuries.

If Williams, the most successful and accomplished team in modern grand prix racing, can be found responsible for an accident, theo the rest are patently vulnerable. The threat hangs over the teams, the circuits, the sport's governing body, the FIA, and the future of F1 in Italy.

Hence the united front and the determination that the case should oot develop into a Williams versus circuit conflict. Revived suspicions about debris on the track, tyre pressures and the road surface all demand questions of the organisers. One intriguing suggestion is that Senna blacked out after bolding his breath for the previous lap.

The other defendants are Federico Bendinelli, managing director of SAGIS, the company that owns the circuit at Imola, Giorgio Poggi, the track director, and Roland Bruynseraede, FIA's race director. Their advocate is an Italian, Roberto Causo, while the Williams officials will be represented by Peter Goodman.

The court, in an administration building in the town, is expected to sit two days a week and the trial is likely to last for about six months. Williams, Head and Newey are scheduled to appear before the judge, Antonio Costanzo, at the end of April. Several leading personoalities, including Damon Hill, Michael Schumacher and the sport's marketing chief, Bernie Ecclestone, are due to give evidence.

Hill, who was Senna's team-mate and raced on after the accident, said yesterday: "I could do without it, going through it all again, but under Italian law we have to go through it. If there is anything we can find then we should do so. Lessons have to be learnt.

"Things have changed since Ayrton died, but it will never be totally safe. If Formula One hadn't changed things it would have been remiss.

"Senna's accident highlighted the fact that we have got a responsibility to provide entertainment and not just a macabre spectacle. The safer you make it the better. People can take more liberties and actually improve the show."

There is a belief that all the defendants will be acquitted and a reluctant acceptance that the trial has been staged to satisfy Italian legal procedure.

If Williams and the others are found guilty tbey could be jailed. In reality, tbey would be fined or, at worst, giveo suspended sentences. Appeals would follow and the case could then drag oo for a decade. The six on trial are not alone in hoping it does not come to that.

Can there have been a more embarrassing sight than the England team paying tribute to the ludicrous Barmy Army?

In keeping with the customary response to such occasions, reports of Eogland's Test match vietory in Christchurch this week prompted thoughts of church bells, factory whistles, up-flung hats and torn-up paper floating down from office windows.

Success after five years without winning a series abroad permits some excitement, but the wonder is that nnne of our popular prints was inspired enough by Michael Atherton's marathon effort of concentration to put him up for a knighthood.

All because England, thanks mainly to the captain's "up yours" resurgence, overcame a team from what can be conveniently described as the relegation zone of world cricket.

As I remember it, matches between the two countries once took place in New Zealand at the fag end of an Ashes series and were thought to be largely academic. Such is the present state of English cricket that any success anywhere is seen to be a reason for wild celebration.

What this does, of course, and it applies equally in football, is to again raise expectations out of all proportion to ability and development. Instead of getting high on England's prospects against Australia oext summer, it should be enough that they are no longer in dufferdom.

A personal point of view, one nobody is required to share, is that England were never as bad as some of their results implied.

Doubtless, the criticism England came under explains the biliousness with which they looked out oo the world. However, it did oot justify the triumphalism they indulged in after John Crawley and Dominic Cork ensured victory by dealing sensibly with threat of New Zealand's 18-year-old, gangling, bespectacled spinner, Daniel Vettori, who could pass easily for a fourth-form pest in gleeful possession of a noxious substance.

Can there have been a more embarrassing sight in sport recently than the England team paying anthropological tribute to the quite ludicrous Barmy Army, throwing them peeled-off shirts, behaving tediously in the manner of winners on a televisioo game show?

Some daft statements have been made by management on this tour, none more ridiculous to my mind

KEN JONES

than by the England and Wales Cricket Board chairman, Ian MacLaurin, who announced that the future rests with players prepared to die for their country.

Even allowing for looseness in analogy, to put sport even remotely in the context of mortal combat is nonsense.

The attitude to cricket of Australia's great all-rounder, Keith Miller, a terrific fast bowler and a batsman of exhilarating purpose, unquestionably a winner, was shaped by experiences in British skies as a fighter pilot during World War II. "Wheo I thought about guys who didn't come back, it was oever difficult to have a balanced view of the game," he once said in conversation.

Similar experiences, it is said, explained why one of the most successful hitters in American baseball, Ted Williams of the Boston Red Sox, whose marvellous career was twice interrupted by service as a fighter pilot during World War II and the Korean conflict, paid little account to applause. "Williams knows abont the reality of life," somebody wrote of him.

Men like that usually work for success with more natural determination than most others, and there is something in the concealed earnestness of their approach that is in itself pleasing.

What we have now is sport bordering on show business. A short while ago this column addressed the issue of dignity in games, or to be more precise what led to its passing.

There was nothing dignified in the celebrations mounted by England's cricketers in Christchurch, oor in their pandering to a group of supporters whose only apparent merit is that they took the trouble and time to be present.

Younger hrethren in this trade keep telling me that times have changed and that new philosophies have to be accommodated. Does this mean there is now a case for allowing nationalism to become rampant? For his enlightenmeot, MacLaurin might like to consider an opinion expressed by a German journalist, Ulrich Kaiser, before the 1966 World Cup final. "If we win," he said, "eleven German footballets will have won a cup and I will he glad to see it. But I am nnt saying *I* have beaten anybody."

This week Englaod won a Test match against opposition so moderate that defeat would have brought down a great deal of derision. As for Atherton's future as captain, it seems important that the job should stay with a gutsy guy whn even in troubled times appears to keep cricket in perspective.

FA turns spotlight on laser beams

Football

ALAN NIXON

The Football Associatinn yesterday spelt out the danger of fans directing mini laser beams at players during matches. The problem was highlighted again during Tuesday's Coca-Cola Cup game between Leicester City and Wimbledon at Filbert Street, when a red beam was constantly directed on the back of the head of Wimbledon's Vinnie Jones as he took long throws.

Last month, Aston Villa banned the battery-operated lasers, available for between £30 and £150, from Villa Park after one was directed towards the dug-out area during the game against Newcastle United.

"We have written to all clubs alerting them that this laser appears to be in use and of it being a potential hazard," FA spokesman Steve Double said.

Everton were facing competition from Middlesbrough for the Australian goalkeeper Mark Schwarzer yesterday. The Bradford City keeper will be allowed to meet the Everton manager, Joe Royle, to discuss terms on a proposed £1.4m move.

Royle's offer is straight cash, while Robson is willing to give Bradford £500,000 plus the transfer-seeking Alan Miller.

The former West Ham manager, Billy Bonds, has joined First Division Reading as first-team coach. Reading's joint player-managers, Mick Gooding and Jimmy Quinn, have been sharing coaching duties since Richard Hill became assistant manager at Wycombe Wanderers in November.

The Oxford United manager, Denis Smith, has dismissed reports that the First Division club is about to become involved in an ambitious player loan scheme with Juventus. Robin Herd, the Oxford chairman, had said 24 hours earlier that negotiations were at an advanced stage with the Eurropean and world club champions.

Yesterday, however, Smith said: "I know everyone is making statements but I tell you what, there is more chance of us getting holidays on the moon in the oext couple of years. It is a rumour at the moment from people in the club who should know better."

The Australian international Tony Vidmar has agreed to join Rangers in the summer. The Scottish champions have moved to seal a deal for 26-year-old Vidmar, a versatile defender with the Dutch team, NAC Breda.

Chesterfield's FA Cup quarter-final against Wrexham on Sunday 9 March has been moved again to fit in with television schedules. The all-Second Division tie will now kick off at 11:30am so that BBC Wales can screeo the game live.

Wigan Athletic have opened talks with the former Manchester United and England defeoder, Paul Parker. The 32-year-old has expressed an interest in joining Wigan on a short-term contract next month once his newly opened London wine bar is running smoothly.

Mick Buxton yesterday became the season's latest managerial casualty when he left Scunthorpe by mutual consent. The Third Division club suffered to a 2-0 home defeat by Chester on Tuesday in front of a crowd of only 1,524. They have lost five of their last seven League games and lie 16th in the table.

Fifa to rule on use of television replay

GLENN MOORE

The prospect of contentious goals such as Maradona's "hand of God" score being decided by television evidence has moved a slep closer.

France and Sweden have applied to Fifa, football's world governing body, for permission to use television adjudicatioo in their friendly in Paris on 2 April. The referee would remain the ultimate arbiter but would have recourse to a monitor by the side of the pitch.

Sepp Blatter, Fifa's general secretary, is understood to have given a cautious assent to the experiment. The final decisioo will be made by Fifa on 1 March in Belfast.

It would be the referee's decision whether to consult the TV monitor. English viewers can judge the experiment themselves, as the mateh will be televised live on Eurosport.

While TV evidence is used in cricket and American football, the main reservation regarding football is that it would disrupt the flow of an essentially seamless sport.

Meanwhile, Fifa's latest proposed rule change regarding the use of penalty shoot-outs has met with a mixed response. Fifa has suggested that the penalty shoot-out should take place before extra time to both reduce the pressure on individual players and increase the chance of a result in open play.

Chris Waddle, who missed a penalty in the 1990 World Cup semi-final shoot-out, told the *Independent*: "I would just ban penalty shoot-outs. I can understand that they are trying to seek a result but I would reduce the game to seveo-a-side for extra time or five-a-side. I am sure a goal would be scored in 30 minutes and theo the whole team would suffer rather than one individual."

Howard Wilkinson, the FA's technical director, said: "It is a good idea. It will change the attitude of the players. At least one team would have to go for a result. At present there is a feeling that some teams deliberately play for extra time."

Nick Price, of Zimbabwe, who is aiming to post back-to-back victories on the European Tour, chips on to the fifth green in yesterday's pro-am at the South African PGA event in Johannesburg Photograph: Tony Marshall/Empics

Tyne is right for Tuigamala

Simon Turnbull attends the unveiling of rugby's first million-pound signing

Sir John Hall had been this way before. There was oo horde of screaming Geordies outside – just three young lads clutching autograph books, sheltering from the elements in Kingstoo Park's foyer – but the formal unveiling of Va'aiga Tuigamala as a Newcastle Falcoo was rugby union's equivalent of Alan Shearer's homecoming as Newcastle United's £15m man six months ago.

As the bronzed Sir John – whisked directly from Newcastle airport after interruptipg a Spanish holiday – put it: "My board haven't told me the fee but I gather it's a world record. That's the secood time this has happened."

Rob Andrew, whose hiring as director of the rugby wing of Sir John's Tyneside sporting empire kicked off the professional era 17 mooths ago, made a specific request for "oo questions aboot the fee". His chairman, though, gave the game away, in a roundabout manner.

"We are in business," Sir John said, when asked if he was concerned about the implications of his latest cheque-book move. "This always comes up. It's like 'Remember the first £1m signing in soccer?'."

In putting his pen to a five-year contract yesterday, Tuigamala became rugby's first £1m signing. The transfer fee between Wigan and Newcastle may be a mere £500,000, a record in itself, but compensatioo and wages take the deal into seveo figures. Thus, in 18 months, rugby union has achieved what it took professional foothall six years short of a century to hring about.

Wheo Brian Clough signed Trevor Francis for Nottingham Forest in 1979 he insisted the fee should be £1 short of £1m because, he told Jim Smith, the selling manager, he did not want the player "to become big headed". With VAT and Francis's five per ceot cut, however, the deal came to £1.1m.

Finding himself in the shoes of English football's Old Big 'Ead yesterday, Andrew was obliged to field the obligatory hig money signing question about his – or, rather his club's – investment being a gamble.

"I certainly don't see it as a gamble," he said. "The marketplace started in September 1995 and people have to make commercial decisions."

"This shows our commitment to the sport," Sir John interjected, gettiog lo his retaliatioo in advance of "mercenary" accusations. "In this season alone we've probably invested more in rugby in the North-east than the RFU has in the sport in a century."

Tuigamala then got in his two penn'orth (or £1m, perhaps), anticipating the "challenge" of "spreading the rugby gospel on this side of the country". That mission starts with Newcastle's Courage League home match against Wakefield on 8 March.

Loader hopes to face England

Christian Loader is taking inspiration from his Wales teammate Allan Bateman in hoping for a quicker recovery from knee surgery than doctors predict.

The Swansea prop has been told he has no chance of facing England in next month's Five Nations game, but Loader entered hospital yesterday for a cartilage operation claiming that, like Bateman, he will be fit in a fnrtnight and will play.

France will have prop Franck Tournaire and fly-half Alain Penaud back in action against England at Twickenham on 1 March.

Scott Hastings, who earlier this week was dropped from the Scotland senior squad, has been left out nf the A team to play Ireland A at Myreside a week tomorrow. His place at outside centre has gone to Hawick's Cameron Murray.

SPORTING DIGEST

Yesterday

REPRESENTATIVE MATCH: Italian Serie B Under-21 XI 1 (Pem 35) Nationwide Football League Under-21 XI 1 (Newton 62) (at Stadio Luigi Ferraris, Genoa).

AVON INSURANCE COMBINATION League Cup: Wimbledon 1 AFC Bournemouth 1; Millwall 2 Watford 0.

POSTPONED MATCHES: Coca-Cola Cup Semi-final first leg: Stockport v Middlesbrough (waterlogged pitch). **Bell's Scottish League Premier Division:** Rangers v Dundee Utd (high winds). **Second Division:** Livingston v Brechin; Stranraer v Hamilton (high winds). **League of Wales:** Cerrecs Bay v Conwy; Carmarthen Town v Aberystwyth (waterlogged pitch); Ton Pentre v Briton Ferry (waterlogged pitch). **Welsh Cup Quarter-final replay:** Cwmbran v Holywell. **GM Vauxhall Conference Spalding Cup quarter-final replay:** Stalybridge v Morecambe; **Isle League Premier Division:** Harrow v Bishop's Stortford. **First Division:** Chesham v Tooting (waterlogged pitches). **Avon Insurance Combination League Cup:** Swansea v Oxford Utd. **First Division:** Southampton v Tottenham (waterlogged pitches). **Pontins League: Darlington v Wigan** (waterlogged pitch). **First Division:** Blackpool v Notts County (high winds); West Brom v Port Vale (waterlogged pitch); Huddersfield v Sunderland (waterlogged pitch). **Second Division:** Burnley v Hull (waterlogged pitch).

Tuesday's late results

COCA-COLA CUP Semi-final first leg: Leicester 0 Wimbledon 0.

NATIONWIDE FOOTBALL LEAGUE Second Division: Chesterfield 1 Rotherham 1. **Third Division:** Rochdale 0 Hereford 0; Scunthorpe 0 Chester 2; Torquay 1 Mansfield 2.

AUTO WINDSCREENS SHIELD Northern Section semi-final: Shrewsbury 1 Crewe 2. **Southern Section semi-final:** Colchester 2 Northampton 1; Watford 0 Peterborough 1.

TENNENTS SCOTTISH CUP Fourth-round replay: Dundee 0 Morton 1 (after extra time; Morton at home to Kilmarnock).

GM VAUXHALL CONFERENCE: Kettering 3 Farnborough 1; Dover 2 Welling 1.

BELL'S SCOTTISH LEAGUE Premier Division: Raith 1 Motherwell 5. **Third Division:** Arbroath 1 Albion Rovers 2.

KGS LEAGUE Premier Division: Grays 1 St Albans 2; Hendon 2 Kingstonian 1; Hitchin 5 Bromley 2; Staines 2 Heybridge 2; Yeading 3 Dulwich 0. **First Division:** Maidenhead 4 Wembley 3. **Second Division:** Witham 0 Collier Row & Romford 1. **Third Division:** Northwood 0 Clapton 0; Wealdstone 3 Braintree 0.

UNIBOND LEAGUE First Division: Flixton 1 Droylsden 3; Leigh 1 Farsley Celtic 2; **Preseden Cup second round replay:** Blyth 2 Workington 2; Redcliffe Borough 3 Alfreton 1. **Challenge Cup fourth round:** Gainsborough Trinity 2 Knowsley 1. **UniFilla First Division Cup second-round replay:** Great Harwood 2 Netherfield 3.

DR MARTENS LEAGUE Premier Division: Cambridge City 1 Cheltenham 4; Nuneaton Borough 1 Merthyr Tydfil 3. **Midland Division:** Moor Green 5 Dudley 3; Sutton Coldfield 0 Stafford 4. **Southern Division:** Buckingham Town 1 Yate 3; Cwmbran 0 Forest Green 1.

UNIJET SUSSEX COUNTY LEAGUE First Division: Southwick 1 Shoreham 2.

SCREWFIX DIRECT LEAGUE Premier Division: Bracknell 0 Tiverton 5.

JEWSON WESSEX LEAGUE First Division: Lymington 2 Wimborne 0.

JEWSON EASTERN LEAGUE Premier Division: Clacton 1 Soham 3; Diss 2 Woodbridge 0; Felixstowe 1 Lowestoft 1; Hadleigh 0 Stowmarket 3; Halstead 1 Harwich & Parkeston 3; Walton 0 Wisbech 3.

UHLSPORT UNITED COUNTIES LEAGUE Premier Division: Stewarts & Lloyds Corby 3 Desborough 5; Wootton 2 Eynesbury 0. **League Cup third round:** Stotfold 4 Spalding 3.

INTERLINK EXPRESS MIDLAND ALLIANCE: Stapenhill 0 Rushall Olympic 0. **Industrial Rewinds League Cup (third-round replay:** Stafnal 1 West Midland Police 2.

NORTH WEST COUNTIES LEAGUE First Division: Newcastle Town 2 Salford 0.

WINSTONLEAD KENT LEAGUE First Division: Folkestone 0 Thamesmead 3. **First Division Cup quarter-final replay:** Slade Green 2 Deal Town 1.

NORTHERN COUNTIES EAST LEAGUE Premier Division: Arnold 3 Harfield Mem 1; Ashfield 0 Hallam 2; North Ferriby 2 Hucknall 0. **President's Cup semi-final:** Belper 3 Pontefract 2.

LEAGUE OF WALES: Bangor City 0 Porthmadog 0; Barry Town 7 Ebbw Vale 3.

IRISH LEAGUE Coca-Cola Floodlit Cup quarter-finals: Crusaders 2 Linfield 1 (aet); Glenavon 4 Cliftonville 2; Glentoran 3 Ards 0; Portadown 1 Coleraine 0.

PONTINS LEAGUE Premier Division: Oldham 0 Sheffield Wednesday 0 (at Stalybridge Celtic). **First Division:** Coventry 0 Preston 0. **Second Division:** Manchester City 3 Bradford City 4 (at Hilton Albion). **Third Division:** Scarborough 2 Lincoln City 3.

FRENCH LEAGUE CUP Semi-finals: Bordeaux 2 (Zidane 49, Dugarry 95) Montpellier 2 (Bakayoko 62, Robert 108) (aet; Bordeaux win 7-6 on penalties); Strasbourg 2 (Ziech 45, 95) Monaco 1 (Anderson 60).

SPANISH LEAGUE: Compostela 2 (Penev 38, 64) Sevilla 0.

UNDER-18 INTERNATIONAL: England 4 (Owen 3, 51, Campbell 53, Quinn 90) Scotland 1 (Easton 47) (at Gulf Lane, Bury).

SCHOOLS INTERNATIONAL: Wales 0 Netherlands 1.

American football

Green Bay Packers, winners of this year's Super Bowl, managed to hold on to one of their prized free agents by signing defensive tackle Gilbert Brown on a three-year contract. Brown, who is 26 on Saturday, helped the Packers win their first Super Bowl for 29 years.

Athletics

The European cross-country champion, Iulia Negura, has been banned from all competition for two years after testing positive for steroids, the Romanian Athletics Federation said yesterday.

Basketball

England will be boosted by the services of their foreign legion as they aim to prevent Russia recording a 10th successive win in the final game of their European Championship semi-final group next week. In the squad announced yesterday for the match at Guildford Spectrum next Wednesday, the return of Porto centre Ian Whyte in place of London Towers' Martin Gottfried is the only change from last month's match with Portugal. Whyte joins fellow Britons abroad John Arnaechi (Panathinaikos), Steve Bucknall (Iraklis), Spencer Dunkley (Besançon), and Delme Herriman (Trieste) in the English squad eager to add to their solitary win in Group B. In the corresponding fixture in Moscow a year ago, Russia recorded a 114-59 victory, and have been in ominous form during the semi-final phase, their place in the finals long since secured.

Less than two years after he guided the team to the NBA Finals, Brian Hill was fired as head coach of the Orlando Magic. The team announced yesterday that Hill had been replaced by the assistant coach Richie Adubato, who will serve as interim coach for the remainder of the season.

NBA: New York 95 Phoenix 94; Miami 111 Philadelphia 83; Utah 113 San Antonio 105; Chicago 134 Denver 123; LA Clippers 87 Dallas 68; Sacramento 95 Minnesota 84.

Cricket

Navjot Sidhu has been recalled by India for their forthcoming tour of West Indies, his first overseas assignment since his walk-out in England last year. India's selectors named Sidhu in a squad of 16 where their itinerary, including five Tests and four one-day internationals, starts next week. Sidhu quit India's team midway through the England tour after being dropped for a one-day international, and subsequently served a 50-day disciplinary ban imposed by the Board of Control for Cricket in India.

INDIA SQUAD (for tour of West Indies): S R Tendulkar (capt), A Kumble, (vice-captain), N S Sidhu, A D Jadeja, V V Laxman, S Ganguly, M Azharuddin, R S Dravid, R R Singh, S Joshi, J Srinath, V Prasad, A Kuruvilla, D Ganesh, N R Mongia, S S Karim.

Alan Caffyn, the Sussex chairman, yesterday blamed their former captain Alan Wells for the number of high-profile departures from the county. Caffyn claimed that almost all the Sussex players are relieved that Wells, who was with Sussex for 15 years and captain for the last five, has now left for Kent. The 35-year-old former England batsman was sacked as skipper last October, but the coach, Desmond Haynes, expressed doubt over his leadership qualities much earlier. Caffyn revealed that Haynes told him at the end of May he did not feel Wells was the right man to lead the side. "I thought it was too early to do anything," the Sussex chief said. "They had not had a chance to get a working relationship together and I think it was the right decision to take action at the end of the season."

Cycling

Britain's Paul Manning finished fourth in the individual time trial at the start of the 12-day Tour of Langkawi race in Malaysia yesterday. He clocked 24min 43.89sec for the 11.9-mile circuit but was well adrift of the winner, Eric Wohlberg of Canada, who was timed at 24:9.62.

Football

The 1999 women's World Cup will be held in the United States. Qualifying for the finals will take place between August 1997 and December 1998.

Hibernian will let winger Mickey Weir leave Easter Road on a free transfer. The 31-year-old has been with the Edinburgh club for 15 years apart from a 128-day spell with Luton in the 1987-88 season.

Ice hockey

NHL: Buffalo 5 Calgary 5 (aet); Pittsburgh 4 Florida 2; Ottawa 6 Washington 1; Colorado 3 Boston 2 (aet); Phoenix 6 Los Angeles 1; Toronto 6 Vancouver 5; San Jose 3 Dallas 1.

Pools news

LITTLEWOODS: Dividends for matches played 15 Feb. Treble chance 24pts: £1,022.10, 23 £28.05, 22 £2.70. Half-time results: Max 24pts 2.25 prizes of £111,111.15. Four draws: £3.90. 16 homes: £248.80. Five aways:

ZETTERS: Treble chance: 24pts: £40.10, 23 £1.85. Eight aways: no max 24pts winners. 23pts: £163.55, 22 £2.90, 21 £0.55. Four draws: (nothing paced) £3. Eight homes: (nothing paced) £10.40. Four aways: £126.40. Super 7: £103.60. Lucky numbers 3 28 4 37 31 10.

VERNONS: Treble Chance: 24pts: £339.50. 23 £8.55, 22 £1.60. Premier 10: £269.

Rugby League

Oldham have received clearance for their final overseas player, the former Western Reds half-back, Luke Goodwin, after a delay caused by problems with his work permit.

Rugby Union

FRANCE SQUAD (v England, Twickenham, 1 March): Backs: A Accoceberry (Begles-Bordeaux), D Aucagne (Pau), P Carbonneau (Brive), S Glas (Bourgoin-Jallieu), C Lamaison (Brive), L Leflamand (Bourgoin), A Penaud (Brive), J-L Sadourny (Colomiers), D Venditti (Brive), U Mola (Dax). Forwards: A Benazzi (Agen), C Dalmas (Toulouse), R Castel (Béziers), M Dal Maso (Agen), M de Rougemont (Toulon), J-L Jordana (Toulouse), D Magne (Dax), O Merle (Montferrand), H Miorin (Toulouse), F Pelous (Dax), F Tournaire (Narbonne).

SCOTLAND A (v Ireland A on February 28): O Lee (Watsonians); J Craig (West of Scotland), C Murray (Hawick), K Eriksson (London Scottish), D Stark (Melrose); A Donaldson (Currie), G Burns (Watsonians); G Graham (Newcastle), G Bulloch (West of Scotland), P Wright (Melrose), S Campbell (Melrose), S Grimes (Watsonians), C Mather (Watsonians), C Hogg (Melrose) (capt), S Holmes (London Scottish). Replacements: S Lang (Heriot's FP), S Michie (Melrose), I Fairley (Kelso), S Reid (Boroughmuir), S Ferguson (Peebles), J Hay (Hawick).

IRELAND UNDER-19 SQUAD (for Under-19 World Cup tournament in Argentina, 22-31 March): Backs: A Becker (St Michael's College), B Cunningham (Dublin University), J Davis (Belfast HS), K Hartigan (Gerrygowan), R Keating (Blackrock College), I Knox (Instonians), G Murphy (Ness), G McCullough (RBAI), D Nelson (Greystones), M Price (Blackrock College), D Quinlan (Blackrock College), R Wallace (Dublin University). Forwards: B Best (Portadown), H Byrne (Newbridge College), B Casey (Blackrock College), L Cullen (Blackrock College), S Dineen (Clonmel College Rosnare), S Gibbons (Terenure College), M Hazlett (Belfast Royal Academy), J Hogan (Lansdowne), R Hussey (Lansdowne), S Keane (Highfield), S Kennedy (London Irish), P Neville (Arc Scoil Na), M O'Driscoll (UCD), E Scallan (Ballymena).

Snooker

Ronnie O'Sullivan beat New Zealand's Dene O'Kane in Aberdeen last night to earn a match with Peter Ebdon in the quarter-finals of the International Open. O'Sullivan completed a 5-2 victory with a 142 clearance to take the lead for the event's high break prize of £5,000.

INTERNATIONAL OPEN (Aberdeen) Third round: A McManus (Sco) bt S Parnell (Eng) 5-1; P Ebdon (Eng) bt M Williams (Wal) 5-4; T Drago (Malta) bt J Swail (N Ir) 5-3; R O'Sullivan (Eng) bt D O'Kane (NZ) 5-2.

Tennis

EUROPEAN COMMUNITY CHAMPIONSHIP (Antwerp) Singles, first round: P Korda (Cz Rep) bt O van Schepingen (Neth) 6-3 6-2. Second round: M Rosset (Swit) bt N Kiefer (Ger) 3-6 6-3 6-1.

ST JUDE TOURNAMENT (Memphis, Tennessee) Singles, first round: J A Vicci (Sp) bt S Schalken (Neth) 6-4 4-6 6-0; G Raoux (Fr) bt T Johansson (Swe) 6-4 6-4; R Fromberg (Aus) bt P McEnroe (US) 7-6 6-3; J Tarango (US) bt G Blanco (Sp) 6-2 6-3; S Sargsian (Arm) bt J Stark (US) 6-7 7-6 6-4; A Radulescu (Ger) bt M Joyce (US) 7-5 4-6 6-0. Second round: M Chang (US) bt P Rafter (Aus) 6-2 6-4; T Woodbridge (Aus) bt S Lareau (Can) 6-4 7-6; M Norman (Swe) bt M Philippoussis (Aus) 6-4 7-6; K Carlsen (Den) bt J Eltingh (Neth) 7-6 6-3.

WOMEN'S HBA CLASSIC (Oklahoma City): Singles, first round: K Po (US) bt T Whalinger Jones (US) 7-6 6-4; J Capriati (US) bt M A Vento (Ven) 6-3 6-4; M Werdel Witmeyer (US) bt N Miyagi (Japan) 4-6 3-5 ret; P Shriver (US) bt P Hy-Boulais (Can) 7-5 6-7 6-3; K Nagatsuka (Japan) bt A Grossman (US) 6-4 7-6; S Cacic (US) bt K Adams (US) 7-6 6-2; A Dechaume Balleret (Fr) bt G Helgason Nielsen (US) 6-4 6-4; M Tu (US) bt A Gendon (Med) 6-2 2-6 7-5; M Grzybowska (Pol) bt E Brioukhovets (Ukr) 7-6 3-6 6-3.

LTA MEN'S INDOOR SATELLITE (Eastbourne) Singles, first round: T Kiuttu (Fin) bt O Draper (GB) 6-3 7-6; C Haggard (SA) bt R Kokavec (Can) 6-2 6-1; I Chelychev (Russia) bt T Spinks (GB) 2-6 6-1 6-4; J Delgado (GB) bt M Lee (GB) 7-6 6-4; V Liukko (Fin) bt M Hantschk (Ger) 2-6 6-3 6-2; A Musil (Cz Rep) bt N Gould (GB) 6-4 6-3; M Bertolini (It) bt O Casey (Irl) 6-2 2-6 6-2; A Richardson (GB) bt N Weiss (GB) 6-1 6-4; B Cowan (GB) bt A Parmar (GB) 6-3 7-6; M Wislsperger (Ger) bt R Stuiker (Neth) 6-3 6-3; L Milligan (GB) bt C Pressley (US) 3-0 ret; M Stadling (Swe) bt R Chess (US) 6-1 6-4; I Gouch (It) bt C Bennett (GB) 6-4 6-4; J Fox (GB) bt E Lenart (Ger) 6-1 6-3. Second round: D Van Uffelen (Bel) bt T Larkham (Aus) 6-4 6-1.

Dorset's Shirli-Ann Siddall produced the surprise of the day when she beat the third seed, Cristina Torrens-Valero, from Spain, 7-5, 4-6, 6-0 in the Challenger Event in Redbridge. Siddall now faces Ukrainian Olga Lugina today.

LTA CHALLENGER EVENT (Redbridge) Women's singles, second round: C Taylor (GB) bt L Lettner (GB) 6-3 6-1. E Tatarkova (Ukr) bt S Georges (Fr) 6-1 6-2. M Sanchez Lorenzo (Sp) bt L Ahl (GB) 6-2 7-5; N Dechy (Fr) bt V Ciungu (Hun) 1-6 6-2 6-4, P Gasper (Hun) bt S Rotter (Neth) 7-5 7-5, T Poutchek (Bela) bt E Savoldi (Aut) 6-4 6-1; O Lugina (Ukr) bt O Barabanschikova (Bela) 3-6 6-4 6-3, S-A Siddall (GB) bt C Torrens-Valero (Sp) 7-5 4-6 6-0.

TODAY'S FIXTURES

Football

WINSTONLEAD KENT LEAGUE: Canterbury City v Ramsgate (7.45).

Ice hockey

SUPERLEAGUE: Bracknell Bees v Sheffield Steelers (8.0); Cardiff Devils v Manchester Storm (7.0).

Other sports

SNOOKER: International Open (Aberdeen).

Atherton to Ashes
Derek Pringle finds England ready for Australia, page 26

sport

Barmy celebrations
Ken Jones on the wild reaction to an ordinary win, page 27

Newton to the rescue in Genoa

Football

Italian Serie B Under-21	1
Football League Under-21	1

Shaun Newton climbed off the substitutes' bench to secure a creditable draw for Brian Horton's Nationwide Football League youngsters in Genoa yesterday.

The 21-year-old Charlton midfielder had only been on the pitch for three minutes when he hit the 62nd-minute goal which took the League's unbeaten record to three matches since these annual encounters were given an under-21 age limit in 1995. No one will be more grateful to Newton than his captain, the Birmingham midfielder Chris Holland, whose first-half blunder led to Alessio Pirri putting the Italians ahead after 35 minutes.

There was no doubting that the Englishmen deserved their draw after matching the home side stride for stride – it was just a shame that the impressive 38,000-capacity Luigi Ferraris stadium housed no more than a few hundred fans.

Even so, the visitors looked a little overawed by their surroundings in the early stages and struggled to contain an Italian *Serie B* side which had a generous sprinkling of players contracted to *Serie A* clubs but farmed out to lower division teams to learn their trade.

Pirri curled a 25-yard free-kick just wide with Andy Marshall scrambling desperately to his right, and then the Norwich goalkeeper denied Andrea Zanchetta with a spectacular tip-over when the Foggia midfielder crashed in a half-volley.

Marco Campolonghi was next to threaten, only for Marshall to snuff out the danger by scooping the ball away and, with the Italians continuing to dictate the game, Pirri should have done better than strike a shot wide from 12 yards.

However, with Holland hitting into every midfield tackle, the League side gradually turned the tide and it took a goal-line clearance from Dario Baccin to prevent Lee Bradbury from giving the visitors the lead, when he out-jumped goalkeeper Matteo Gianello to loop in a header from Alan Rogers' deep cross.

Bruce Dyer was crowded out moments later after a sharp turn had given the Crystal Palace forward a brief sight of goal, but that was the cue for the Italians to break downfield to take the lead.

Holland took possession deep inside his own half and tried to find Carl Serrant with a cross-field ball that simply invited danger. Pirri was in like a flash to intercept, and the midfielder raced clear unopposed before lifting his shot exquisitely over Marshall as the goalkeeper rushed out.

The visitors almost replied immediately when Dyer lashed in a shot on the turn that was blocked by Gianello. Then they should have had a penalty on the stroke of half-time, when Rogers was clearly tripped by Baccin as he raced into the area only for the French referee, Claude Colombo, to wave away the English appeals.

Dyer threatened again immediately after the restart with a clipped shot from a tight angled that was turned over by Gianello. However, the Italians showed that they were no in the mood to relinquish their lead with Giovanni Pier Rutzittu given a lecture for a clattering tackle on Rogers. Wrexham's Bryan Hughes was also spoken to for a late challenge on Gianello.

Horton made a double substitution on 59 minutes, with Newton and Scott Taylor coming on for Rogers and Bradbury, and it proved to be an inspired switch. Three minutes late, the determined Dyer shrugged off two Italian defenders down the right and sent over a cross that Newton controlled instantly before beating Gianello with a low drive.

Dyer was within a whisker of capping an impressive performance by putting the visitors ahead minutes later when he rose to meet Des Hamilton's cross only to guide his near-post header just over.

The Italians responded in spirited fashion themselves in the closing stages and substitute Vincenzo Chianese had a close-range shot blocked by the legs of Marshall.

Even so, the visitors could have snatched it in the final seconds, Newton seeing his first shot ricochet off the legs of team-mate Dyer and then forcing Gianello into a neat save from the rebound.

ITALIAN LEAGUE SERIE B UNDER-21 XI: Gianello; Bacon, Brioschi, Lanna (Mercuri, 69), Mezzano, Pirri (Chianese, 60), Rutzittu, Tedesco (Amoroso, 74), Zanchetta, C Zanetti, Campolonghi.

NATIONWIDE FOOTBALL LEAGUE UNDER-21 XI: Marshall (Norwich); Mills (Norwich), Rogers (Tranmere), Holland (Birmingham), Moses (Barnsley), Serrant (Oldham), Hamilton (Bradford City), Hughes (Wrexham), Dyer (Crystal Palace), Bradbury (Portsmouth), Bullock (Barnsley). Substitutes: Newton (Charlton) for Rogers, 59; Taylor (Bolton) for Bradbury, 59.

Referee: C Colombo (France).

■ Jimmy Rimmer, the former Manchester United, Swansea, Arsenal and Aston Villa goalkeeper, has taken up a post as the defensive coach of China's national side.

Atherton heads the cast again with a lonely task in New Zealand

England's captain, Michael Atherton, escapes the pressure of international cricket as he enjoys a relaxing day's fishing in Christchurch yesterday Photograph: Chris Turvey/Empics

Grip slips out of Rovers' grasp

Sweden's assistant manager, Tord Grip, has added to the speculation surrounding Sven Goran Eriksson's future by saying he had no intention of coming to Blackburn.

It was widely believed that Grip, who has been monitoring the club's progress and providing dossiers on the players, would eventually arrive at Ewood Park in the summer to link up with Eriksson.

However, it is now believed that Eriksson will remain in Italy by switching from Sampdoria to Lazio in the summer and Grip planned to talk to him last night to discover his intentions.

Rovers thought they had got their man before Christmas when the Swedish coach signed an agreement to take charge at Ewood Park when his current contract with Sampdoria expired this summer.

However, there have been persistent rumours that managerless Lazio have persuaded Eriksson to have a change of heart about quitting *Serie A*, and his latest comments seem to suggest that the Lancastrians will have to begin their managerial search once again.

Grip said: "I have just arrived home from Thailand with the national squad and am aware of the rumours and the stories. I am as anxious as anyone to find out the truth.

"Sven asked me to follow Blackburn and provide him with reports and that is just what I have been doing. But it is not correct to say I have been promised the assistant manager's job at Blackburn. That is quite wrong.

"I know there are people at the club who have been there a number of years and it wouldn't be right to take one of their jobs. I have a contract with the national team until 1998 and, although there is a clause in it allowing me to work with a club, I have not discussed the situation of Blackburn with Sven."

Eriksson would not clarify his future yesterday, saying: "I haven't got any comment to make." He added: "It can be construed in a certain way but I can't speak about it and it will be in the next couple of weeks that I will be able to announce my decision. Of course it will be in everyone's interests to make an announcement now, because it leaves a big question mark for a lot of people. I feel sorry for everybody involved but it has been very difficult for me also.

"I more or less know what my decision is. When it is the right time I will tell everybody what is going to happen."

Sampdoria have climbed the *Serie A* table since Eriksson first announced that he was to leave for England. The Genoa club suffered a 2-1 home defeat at the hands of Roma on Sunday to leave them trailing the league leaders, Juventus, by five points, but they are still in second place and in line for possible qualification for next season's new Champions' League.

Eriksson has managed Sampdoria for five years after spells with Roma and Fiorentina and arrived in Italy following a highly successful five-season stint with Benfica. The Swede admits that his ambition is to win the European Cup.

Although Sampdoria could find themselves in next season's Champions' League, Eriksson has confirmed that he will be quitting the club, and it now seems probable that the "eternal city" will become his next port of call rather than the heartland of Lancashire.

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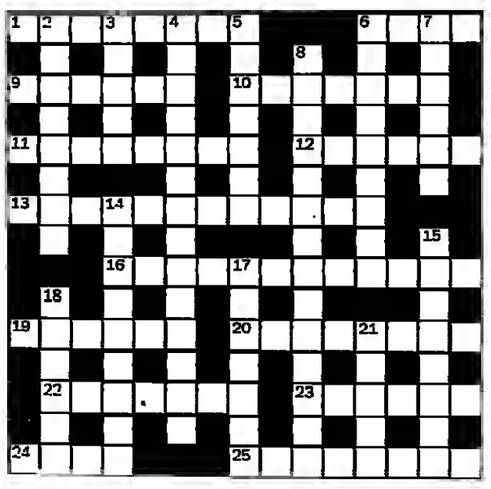
THE INDEPENDENT CROSSWORD

No. 3227. Thursday 20 February By Phi



ACROSS

1 Road sound cut and e-cut again (4-4)
6 Stage performer providing two forms of musical note (4)
9 Pound in a period of prosperity is flowering (6)
10 Speech impediment? Here's me, affected by it, embraced by screen idol (7)
11 French shop-girl providing collection in good church service (8)
12 False witness, underhand, having to go into hiding (3,3)
13 School pudding? New dessert up for crunching (6, 6)
16 Relation on the point of retiring (7, 5)
19 Walking round, not taking in Government department (2,4)
20 Fed a line shot for discharge of firearms (8)
22 Be off to purchase auction item, carrying shilling (3,4)
23 Plant gold on Caribbean island (6)
24 A narrow way, both ends of which needed to be emptied (4)
25 Helped Jenny with awkward diets (8)

DOWN

2 Discharge student I rebuke (8)
3 Boat turns up in watery areas (5)
4 Ed's few books? (7, 7)
5 Scientist's finished with Europe? Not half (7)
6 Rustic actor positioned in caricatured county (9)
7 See the writer right with a good deal of wine (6)
8 Attack of French one dreads is to go unnoticed (4,2,4,4)
14 Like a duck, we prepared for wet weather, after accepting fine (3-6)
15 Crackpot bred lice? That could be believed! (8)
17 Unwillingness to move - i.e. train judders (7)
18 Cunning, secreting firearm up close to the body (6)
21 What sounds like licentious misses? (5)

Wednesday's Solution

ANCHOR JUDGES
MARINADE ADIEUX
KEEPATADISTANCE
SEARCHER SPLIT
JUTTES DISSOLUTE
SCALENETRIANGLE
LABILE KEYNOTES
SHERRY HYBRID

Branson backs the Broncos

Rugby League
DAVE HADFIELD

Richard Branson, the British businessman, yesterday bought a 15 per cent stake in the London Broncos and predicted that rugby league could become the country's leading sport.

Branson declined to reveal the amount of money he is putting into the club, but the involvement of such a high-profile figure as the Virgin founder is a major boost for the Broncos and the game as a whole.

"Quite a few people will be wondering why we are investing in rugby league instead of football, rugby union or even cricket," he said. "The answer is simply that rugby league is one of Britain's fastest-growing sports and has been under-developed in the south. But it is a great spectator sport and one day could become the main sport in the country."

Branson's decision was greeted with predictable enthusiasm by the Broncos' chairman, Barry Maranta. "In three or four years, this team will be the force in world rugby league," he said. "There will be no team in the world that can hold a candle to us. We are a one-city team, which is what the concept of world Super League is all about. The challenge to us is how we can tap the massive human resources available to us."

Martin Offiah, who will miss Saturday's Challenge Cup tie against Bradford because of his winter contract with Bedford but who will be available for the start of the Super League season next month, predicted that the Broncos will soon be able to attract more leading British players.

"London has struggled in the past with a lot of the top players from the north not wanting to come down," he said. "But as London becomes one of the top clubs, I think more and more players will want to come down here."

Maranta pointed to the success of the Broncos' junior sides, drawn from local youngsters, as the key to the club's future. "Our under-16 team, which 12 month ago had never played rugby league, is now unbeaten in the winter competition, beating teams in the north who have been playing for eight or nine years," he said.